

northern California operations, does not have an adequate staff and space to assist citizens in finding employment and that thousands of citizens have great difficulty in obtaining any assistance from the United States Employment Service; to the Committee on Labor.

1533. By Mr. SMITH of Wisconsin: Letter from F. C. Seideman, Kenosha, Wis., in appreciation for the Congressional Medal of Honor awarded him as a member of the Selective Service System; to the Committee on Military Affairs.

1534. Also, petition of the American Legion, Department of Wisconsin, relating to reconversion and industrial disputes, etc.; to the Committee on Labor.

1535. By the SPEAKER: Petition of Central Trades Council, petitioning consideration of their resolution with reference to their objection to passage of House bill 5262; to the Committee on Labor.

1536. Also, petition of Local Union 131, United Construction Workers, United Mine Workers of America, A. F. of L., petitioning consideration of their resolution with reference to their opposition to the Case bill; to the Committee on Labor.

1537. Also, petition of John C. Burt, 15 Park Row, New York, N. Y., petitioning consideration of his resolution with reference to vindicating authority in delimiting the powers of judges; to the Committee on the Judiciary.

SENATE

FRIDAY, FEBRUARY 8, 1946

(Legislative day of Friday, January 18, 1946)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Most holy and merciful God, the strength of our weakness, the refuge of our weariness, the Good Shepherd of our waywardness, in the searching light of Thy presence, we acknowledge and bewail our manifold sins and wickedness which we from time to time most grievously have committed, by thought, word, and deed, against Thy righteous law of love. In an hour of dire human need, Thou hast opened before us a potent ministry to all the earth. Save us from the pride of self-will, from enfeebling faults of judgment, from the blindness of prejudice, from vagueness of purpose, and from discouragement in temporary failure. Lift up our hearts in glad expectation because, with a new era of world cooperation at the door, redemption draweth nigh; enable us to trim our lamps and at the midnight cry go forth to meet the Bridegroom. In the dear Redeemer's name. Amen.

THE JOURNAL

Mr. BARKLEY. Mr. President, I ask unanimous consent that the Journal of the Senate for the days from the 18th of January to the 7th of February, both inclusive, be approved without reading.

The PRESIDENT pro tempore. Without objection, the Journal for the various days mentioned by the Senator from Kentucky is approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communi-

cated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 4908. An act to provide additional facilities for the mediation of labor disputes, and for other purposes; and

H. R. 5400. An act making appropriations for the fiscal year ending June 30, 1947, for civil functions administered by the War Department, and for other purposes.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

REPORT ON UNITED NATIONS RELIEF AND REHABILITATION ADMINISTRATION

The PRESIDENT pro tempore. The Chair lays before the Senate a message from the President of the United States, which will be read.

The Chief Clerk read the message.

(For President's message, see today's proceedings of the House of Representatives on p. 1161.)

The PRESIDENT pro tempore. The report will be referred to the Committee on Foreign Relations.

The account of expenditures set forth in the report is of so important a nature that the Chair thinks the report should be printed in the RECORD, and, without objection, the report will be printed in the RECORD, without the illustrations, for the information of the Senate.

The report, without the illustrations, is as follows:

CHAPTER 1. SUMMARY OF THIRD QUARTER DEVELOPMENTS

The third quarter of 1945 brought final military victory to the United Nations. The end of hostilities greatly affected the problems of relief. VE-day enabled UNRRA to enter into full-scale operations in the liberated countries of Europe which required its aid, as well as to assist in the care and repatriation of millions of displaced persons freed from years of Nazi slave labor. With VJ-day, UNRRA could begin operations on a world-wide scale, as ports were opened in China. Shipping and supplies in adequate quantities became available for UNRRA's accelerated operations, including large supplies of military surplus stocks. As the supply problem diminished the financial problem grew, and by the end of the third quarter of 1945 virtual exhaustion of UNRRA's financial resources became its most immediate problem.

SUMMARY OF PRINCIPAL ACTIVITIES

1. At the end of the third quarter of 1945 cumulative shipments of relief materials from all sources totaled 2,126,222 long tons, valued at \$433,816,000—landed cost. Whereas about half of the shipments included in the total for the second quarter of 1945 were taken over from the civilian relief stocks of military authorities, almost all the supplies shipped during the third quarter were directly procured and shipped by UNRRA. Third quarter shipments, equivalent to more than 135 full shiploads, were more than double those of the preceding quarter. Included were 616,840 tons of food, 237,150 tons of industrial rehabilitation supplies, 106,865 tons of agricultural rehabilitation supplies, 56,558 tons of clothing, textiles, and footwear, and 7,811 tons of medical supplies.

2. As of September 30, UNRRA had expended or committed over 88 percent of its available resources. Of the \$1,268,750,254 comprising operating contributions to date—including the entire United States contribution—the sum of \$1,122,131,582 had been committed for relief and rehabilitation supplies and services. Of the \$15,415,334 available for administrative expenditures, \$11,692,128 had been committed. For all purposes, UNRRA had a balance of \$150,341,878 available for commitment as of the end of the third quarter of 1945.

3. Operations were stepped up during the third quarter in the countries of central, eastern, and southern Europe. Agreements were signed between UNRRA and the Governments of Poland, Albania, and the Dodecanese Islands. Increased quantities of supplies were shipped into Greece, Yugoslavia, Czechoslovakia, and Poland. Unloading problems were in part overcome by the opening of the ports of Gdynia and Gdansk for Poland, Bremerhaven and Hamburg for Czechoslovakia, and Trieste for Yugoslavia.

4. As of September 30, 4,323 UNRRA workers were employed in the operation of assembly centers established by the military for Allied displaced persons in Germany, while 449 other UNRRA personnel were in a forward staging area awaiting deployment into the field. About 1,300,000 displaced persons were still being cared for in these assembly centers. While negotiations were under way for UNRRA to take over direction of displaced persons operations from the military, UNRRA personnel were "winterizing" the centers.

5. Over 27,000 displaced persons had been repatriated from UNRRA's Middle East camps by the beginning of September, and a remaining 13,000 were being sent home as fast as shipping permitted.

6. The wrecking of inland transport systems during the war constituted a grave threat to the relief program. To overcome this, UNRRA had arranged for the procurement of approximately 50,000 trucks for Czechoslovakia, Greece, Poland, and Yugoslavia.

7. UNRRA's program of limited aid to Italy was in full operation, and most of the \$50,000,000 authorized for the Italian program had been committed. About 800,000 children and expectant and nursing mothers were receiving supplementary food in provinces south of Florence. Operations were beginning in certain northern provinces. School lunch programs were operating in Rome and Naples and soon would be extended throughout Italy.

8. VJ-day necessitated a rapid increase of UNRRA personnel in China. The draft of a basic UNRRA-Chinese Government agreement was in the final stages of negotiation in September. UNRRA medical personnel combated a cholera epidemic in the Chungking area during the third quarter. From June 2 to August 18 over 2,300 persons were given emergency hospitalization, and 500,000 were inoculated. Mortality among patients fell from 40 percent to about 10 percent. Procurement for China got under way on a large scale during this quarter.

9. While the countries of western Europe have been financing most of their own relief and rehabilitation needs, they have received through UNRRA large shipments of clothing contributed by citizens of the United States, Canada, Australia, and New Zealand. At the end of September approximately 3,000,000 pounds had been sent to Belgium, 7,000,000 to France, 4,000,000 to the Netherlands, and 1,000,000 to Norway.

10. Emergency relief shipments arrived in the Philippines in September. The shipments included 12,398,400 pounds of food and over 93,000 pounds of medical supplies. More than 4,000,000 pounds of contributed clothing were made available for shipment to the islands.

11. UNRRA doctors, nurses, and sanitation engineers were assisting various governments to reestablish public health and sanitation organizations for epidemic control. Portable X-ray units and hospital facilities were being shipped to liberated areas. UNRRA airplanes were spraying malaria-breeding swamps in Greece with DDT, and UNRRA welfare specialists were assisting the Greek Government to organize a nation-wide system of feeding and physical rehabilitation centers.

12. UNRRA continued to administer the International Sanitary Conventions, 1944, in connection with which a total of 15 issues of the Epidemiological Information Bulletin were published and distributed to health officials throughout the world.

EFFECT OF VICTORY

In September 1945 it was estimated that from 10,000,000 to 12,000,000 tons of food would be required within the next 12 months to augment supplies in the liberated countries of Europe, if millions of people were to be able to assume their responsibilities in rebuilding their homelands.

The transition from war to peace in almost every liberated country of Europe and the Far East was being met on empty stomachs. Europe faced its grimmest winter in modern times. Tragedy was not confined to hunger and the prospect of mass starvation. The Mediterranean countries reported millions of cases of malaria and tuberculosis, while diphtheria was of epidemic proportions in a large part of central and northern Europe. And while the European continent is in need of thousands of tons of medical supplies and hospital equipment, no region of the earth is in greater need of medical assistance than China. Authorities in China expect that the coming year will bring 200,000 cases of cholera, 6,000,000 of dysentery, 700,000 of typhoid, 500,000 of smallpox, 360,000 of diphtheria, and 100,000 of spinal meningitis. In urban centers few persons over 20 have escaped tubercular infection, and tuberculosis mortality runs to 3 per 1,000.

The desperate need of the liberated United Nations populations for relief and rehabilitation supplies and services is the aftermath of years of enemy occupation and military operations which turned their cities and farms into battle grounds. Under successive impacts of conquest, occupation, and military liberation, economic and physical deterioration was inevitable. The winter of 1945-46 brings a crisis in the recovery of the world from war.

However, military victory in all theaters of war opened the way to application of remedial measures on a world-wide basis, permitting the rapid acceleration of relief and rehabilitation assistance to areas where the needs were most urgent.

After the victory, supplies became available in sufficient quantities so that their lack no longer constituted a major handicap to UNRRA's operations. Prior to VE-day, shipping space and essential commodities were in extremely short supply, and UNRRA's requirements frequently gave way to military necessity. VJ-day removed additional supply restrictions and released many items which had been in short supply during the war. UNRRA was placed in a position to purchase large amounts of Army surpluses stock piled both in the United States and overseas, and also to obtain supplies for which procurement contracts had been canceled as a result of Army cut-backs. By the end of September UNRRA had procured \$90,000,000 worth of United States Government surpluses which were stored in this country. In addition, a joint mission of UNRRA and United States Government officials had gone to Europe to procure an additional \$150,000,000 worth of supplies from United States military surpluses available in the European and Mediterranean theaters, and plans were developed for the procurement of United States military surpluses in the Far Eastern theater.

Further large-scale purchases of military surpluses both in the United States and abroad were contemplated as additional funds from the initial United States contribution became available.

Victory not only improved the supply situation but also eased transportation. By the end of the third quarter of 1945 UNRRA had enough shipping space to take care of its overseas consignments, barring unforeseen contingencies. The liberation of China opened up that country's seaports to the Allies, and enabled UNRRA to go into its planned operation there. Hitherto, relief and rehabilitation activities had been negligible, as land routes into Free China were crowded with military transports and the cost of moving supplies by air was prohibitive for large-scale relief operations. In similar fashion, on the other side of the world, opening of new ports in the Baltic during the third quarter of 1945 permitted substantial increases in the movement of goods to Poland.

Because of the critical state of inland transport in Europe and the Far East, UNRRA has been sending trucks to these areas in increasing quantities. These trucks were procured principally from Army surpluses abroad.

Improvements in supply and shipping meant speedier procurement. By the end of the third quarter the principal factor limiting UNRRA was the lack of financial resources to continue procurement.

CHAPTER 2. UNRRA COUNCIL DECISIONS

The third session of the Council of UNRRA—composed of one representative from each member nation—was held in London between August 7 and August 25. The United States was represented at this session by Assistant Secretary of State William L. Clayton.

At its third session the Council adopted several resolutions expanding UNRRA's membership and its scope of operations and recommending that member nations provide additional financial support. Those resolutions are summarized below:

1. New members: The Council voted to admit three United Nations—Denmark, the Byelorussian Soviet Socialist Republic, and the Ukrainian Soviet Socialist Republic—which had not previously applied for membership in UNRRA. By general resolution the Council also authorized the Central Committee of UNRRA—consisting of the delegates of Canada, China, France, the Union of Soviet Socialist Republics, the United Kingdom, and the United States—to accept applications for membership from any other governments that are signatories to the Charter of the United Nations.

2. Scope of UNRRA operations: At its second session in September 1944 the UNRRA Council authorized a limited program of aid to Italy, supplementing the extensive relief operation conducted by the armies of the United States, the United Kingdom, and Canada, and paid for by the governments of those nations. At the third session of the Council the United States delegate proposed that the burden of furnishing relief to Italy be transferred from the Governments of the United States, the United Kingdom, and Canada to UNRRA, and the Council agreed to authorize UNRRA operations in Italy to the extent necessary "to meet the urgent needs of the Italian population." The Council also agreed to authorize UNRRA operations in Austria when invited to do so by "the appropriate authorities exercising administrative control of that country." The burden of relief is now being met by France, the U. S. S. R., the United Kingdom, and the United States as the occupying authorities. Another resolution passed by the Council

¹ Canada and France were added to the membership of the Central Committee at the third session of the Council.

authorized UNRRA to operate in Korea and Formosa "upon the same terms and conditions as in other liberated areas."

Upon the recommendation of the United States delegate, the Council also clarified UNRRA's responsibilities with respect to displaced persons. UNRRA is now authorized to provide care on a temporary basis for the displaced nationals of any member nation; whether or not they desire to return to the territory of that nation at the present time.

3. Additional financial support: The Director General advised the Council that the supplies and services financed by the original contribution of each uninvaded member nation which was approximately equal to 1 percent of estimated national income for the year ending June 30, 1943, would be entirely consumed by midwinter. After considering the volume of urgent relief and rehabilitation needs falling within the scope of UNRRA's responsibility and comparing those needs with the ability of the uninvaded nations to meet them, the Council resolved to recommend a second contribution equal to 1 percent of the estimated annual national income of the uninvaded member nations. It is estimated that the additional 1 percent contributions will total approximately \$1,883,000,000, bringing the total contribution of the uninvaded nations to \$3,766,000,000. In making its recommendation, the Council expressed the expectation that UNRRA would complete its shipments to Europe not later than the end of December 1946 and to the Far East not later than the end of March 1947.

CHAPTER 3. OPERATIONS BY COUNTRY

CENTRAL, EASTERN, AND SOUTHERN EUROPE

In the countries of central, eastern, and southern Europe in which UNRRA was supplying relief and rehabilitation supplies and services, operations moved into high gear during the quarter. Agreements were signed with Poland, the Dodecanese Islands, San Marino, and Albania. Supplies in increasing volume were dispatched to those countries and to Greece, Yugoslavia, and Czechoslovakia. In the case of Czechoslovakia and Poland supply obstacles were partially overcome by the opening of the ports of Gdynia and Gdansk for Poland, and the recent opening of Bremerhaven and Hamburg for Czechoslovakia. Large-scale shipment of trucks to the countries in which UNRRA was operating had substantially eased the problem of internal distribution of supplies. In Italy the limited program for nursing and expectant mothers, children, and displaced Allied nationals was in full operation.

ALBANIA

The administration's operations in Albania got under way during the quarter. The UNRRA-Albania agreement was signed on August 1, and on August 8 the UNRRA mission entered that country.

The first shipload of UNRRA supplies reached Albania on August 21. By September 30, UNRRA had shipped a total of 20,000 tons there; 70 percent consisted of foodstuffs, primarily wheat and flour. Other supplies shipped to Albania during the quarter included clothing, medical supplies, fuel, and lubricants.

One of the difficulties in the handling of supplies for Albania is the small capacity of its ports. Until recently the chief port, Durres, was able to handle only 10,000 tons a month.

During the typhoid epidemics in Tirana and Durres, vaccines, water supply materials, and other medical supplies were airshipped to Albania. The Albanians have requested UNRRA to provide supplies for the maintenance of 25,000 Chamerian refugees. Tents for housing this group and an estimated 20,000 homeless Albanians are under procurement from Army surpluses in the Mediterranean theater.

CZECHOSLOVAKIA

Cumulative shipments to Czechoslovakia through September 30, 1945, amounted to 154,000 gross long tons, valued at \$43,000,000. Of this figure 103,000 tons were shipped during the third quarter. Seventy-five percent of shipments originated in the Western Hemisphere and 25 percent in the Eastern.

Most of the cargoes continued to be shipped over the long sea route to Constanta and the single-track rail line across Rumania and Hungary to Czechoslovakia. Operations in Czechoslovakia have been seriously hindered by the overloading of the harbor facilities at Constanta and the rail route into the country. The German North Sea ports of Bremerhaven and Hamburg, the normal entry for Czechoslovakia, were expected to become available to UNRRA and aid materially in supplying the country.

Food supplies constituted approximately half of shipments, agricultural rehabilitation supplies, including seeds, were 30 percent; and clothing, textiles, and footwear, 12 percent. The balance consisted of industrial, medical, and sanitation supplies.

Despite UNRRA shipments total food resources provided an average of only 1,800 calories per person per day in September.

Perhaps the most serious damage suffered by Czechoslovakia during the final stages of the war was to its transportation system. This is still a major problem, because few of the destroyed bridges have been rebuilt and only 19 of the 29 bombed tunnels have been put into operation again. Since the railway and river systems cannot be adequately restored until 1946, trucks are essential. During September UNRRA started regular and substantial deliveries of surplus military trucks, and more than 2,000 of them had been delivered by September 30.

A survey of Slovak hospitals by an UNRRA health officer showed that they had been deprived of all essentials by the enemy. To relieve the situation the distribution of UNRRA hospital units and medical supplies has been speeded up. Small emergency depots of medical supplies are being assembled in Prague, Bratislava, and Kosice. UNRRA welfare officers have completed comprehensive surveys through Czechoslovakia and report that unless there is a continuous flow of supplies for children's welfare centers, nurseries, and other institutions, tuberculosis and malnutritional diseases will continue to increase.

THE DODECANESE ISLANDS

Under agreement of August between the military administration of the Dodecanese Islands and UNRRA, UNRRA will assume supply responsibility early in 1946. UNRRA assumed financial responsibility for relief to the Dodecanese on August 1, 1945.

GREECE

UNRRA's task in Greece has continued to be complex in character and difficult in execution, not only because of the degree of destruction and destitution brought about by the war and occupation, but also because of the country's peculiar economy.

In years of normal production some 30 percent of the food needed to meet Greece's annual food requirements must be imported. Current import needs are considerably higher because of a drastic decline in domestic cereal production as a result of the war and occupation. For example, although the average annual production for the years 1938-39 was 1,705,200 metric tons, the estimated 1945 production is only 713,000 metric tons.

Since UNRRA became responsible for relief operations in Greece, it has provided that country with an average of approximately 100,000 tons of food monthly. At the same time over 2,000 tractors and large quantities of fertilizers and pesticides have been delivered to rehabilitate local production. By September 30 UNRRA shipments had made available 50 percent of the fall and winter

requirements of nitrogenous fertilizers and two-thirds of the requirements for rock phosphate.

The number of draft and pack animals in Greece was reduced in appalling proportions as a result of the war. Out of the 965,000 head in 1938 only 487,000 remained by mid-June 1945. UNRRA has imported into the country an aggregate of 13,619 head of livestock, of which approximately 25 percent came from Cyprus and Italy. UNRRA also has provided bulls for artificial insemination to increase the livestock. Additional shipments are programmed for the future, but it is far beyond UNRRA's ability to replace all the lost livestock.

Before the war Greece had 1,660 miles of railways and 7,700 miles of roads. The railway system is totally destroyed, and its rehabilitation is a task UNRRA cannot undertake. If the transport burden is shifted to the highways, some 16,000 motor trucks would be required to transport the amount of freight that moved over the roads and railroads of Greece in 1939. To date UNRRA has made available to Greece some 4,500 trucks and plans to raise the number to more than 6,000 by the end of 1945.

Allied agencies working in Greece during the occupation agreed that 54 percent of the population were in desperate need of clothing and footwear. UNRRA has imported quantities of finished apparel and enough raw materials to keep the country's clothing industry fully occupied for at least 6 months. As of August 31, 10,299 long tons of raw material, clothing, textiles, and footwear had been shipped, and during September and October 2,243 long tons of used and new clothing were shipped. However, it will not be possible to clothe adequately the Greek population for some years to come.

War and occupation left behind an immense job in the fields of health and welfare. Malaria, tuberculosis, and other diseases prevail throughout the country. UNRRA field observers report that the malaria-infected population in some areas is more than 70 percent. According to estimates, half of the country's children are tubercular. To date UNRRA has provided approximately 1,250 tons of medical supplies. In addition, 12 airplanes have been allocated to Greece for malaria control. Of these, eight had reached the country by September 30. To combat tuberculosis, medical teams were organized to operate throughout Greece and radiological apparatus for mass examination was in operation in Athens and Salonika. Two-thirds of the displaced Greeks in UNRRA's Middle East camps have been repatriated. UNRRA refugee camps were operating in the northern part of Greece, furnishing food and clothing to the Greek refugees streaming in from Yugoslavia and Bulgaria.

ITALY

During the months of July, August, and September, 1945, the operations of the Italy mission increased in range and in scope, within the limitations of the \$50,000,000 program established by the Council at its session in Montreal. Shipments through September 1945 amounted to 101,675 tons of supplies, of which about 28,000 tons were shipped during the third quarter.

By the end of the third quarter about 800,000 expectant and nursing mothers and children were receiving UNRRA supplementary food in provinces south of Florence and operations were under way in the provinces of Florence and Pistoia. School-lunch programs were being operated by UNRRA in Rome and Naples and will soon be extended throughout Italy.

In Italy UNRRA has been assisting in the care of three classes of displaced persons: United Nations nationals, stateless persons, and Italians displaced within the country. Care for displaced persons in the north was

still largely in the hands of the military, but the Allied Commission has authorized UNRRA to extend its program of financial assistance to displaced persons in northern Italy, heretofore closed to civilian agencies. At the end of September about 10,000 non-Italian displaced persons were being assisted through cash grants and assistance in kind.

UNRRA relief operations in Italy had been limited to \$50,000,000 and restricted to special fields in accordance with the Montreal resolution. Until August 31, 1945, the United States, United Kingdom, and Canadian military authorities were responsible for supplying Italy with the essential foodstuffs and raw materials necessary for the prevention of disease and unrest. For the months of September through December 1945 the United States Government participated through the Foreign Economic Administration and subsequently the Department of State. To avoid the interruption of the pipeline flow of vitally needed supplies, such as wheat, coal, etc., UNRRA was expected to initiate substantial shipments to Italy in January 1946. Under the expanded program approved at the third council session in London, it is estimated that about \$450,000,000 will be expended.

Relief and rehabilitation needs for Italy are estimated to be well in excess of a billion dollars. Years of warfare, internal upheaval, military operations, German demolition, and Allied bombing have left crucial shortages of food, clothing, medical services, and shelter. More than 1,000,000 persons were homeless, and 350,000 were refugees. The average daily ration provided about 900 calories. Ninety percent of the bridges were blown up, rolling stock and power lines were largely destroyed, and motor transport was badly depleted.

Flooding of reclaimed land, disintegration of drainage facilities, and shortage of food, clothing, medical services, and shelter combined to undermine health. The incidence of tuberculosis is three times the prewar rate, and several hundred tons of medical and sanitation supplies were needed immediately.

About 2,700 cases of medical supplies had been transferred to the Italian Government by UNRRA. These contained atabrine, digitalis, vitamins, baby feeding requirements, surgical instruments, etc. UNRRA penicillin has been the only supply officially available in Italy for civilian use. Fifty ambulances have been given to the Italian Government thus far.

POLAND

On September 14 UNRRA and the Polish Provisional Government of National Unity signed an agreement outlining the scope of UNRRA's activities in Poland and providing for the establishment of an UNRRA mission there. This agreement is similar to UNRRA agreements with other countries in which it is operating, providing for nondiscrimination in the distribution of supplies and for UNRRA observation of distribution. Because of the desperate need existing in Poland, UNRRA supplies have been sent there since March. By September 30 supplies shipped to Poland had reached a total of about 160,000 tons valued at nearly \$61,185,000. During the third quarter about 90,000 tons were shipped to Poland.

Until mid-August all shipments to Poland had to be made to Constanza and to be moved by rail and truck into the country. Now, however, the ports of Gdynia and Gdansk are open and the physical difficulties of supplying Poland are reduced. Destruction of Poland's transportation system made impossible full use of the port capacity and trucks now being delivered by UNRRA for the distribution of supplies are essential. As of October 12, approximately 3,000 trucks had arrived in Poland.

Reports from UNRRA's staff in Poland disclose the desperate situation in that country.

The food situation is critical and livestock is scarce. In 1945 the number of pigs, in comparison with 1938, decreased 74.1 percent; cattle decreased 48.4 percent; milk cows, 56.3 percent, and sheep 90 percent. Home production cannot supply the non-agricultural population with any animal proteins whatsoever. All animal proteins for the nonfarm population must be imported. The amount of milk available is not sufficient to cover even the lowest needs of the agricultural population. Furthermore, a serious reduction in the expected production of bread, grains, and potatoes has resulted in a grave shortage of the basic food needs for the entire population.

It has been estimated that 80 percent of the clothing of the Polish population has been worn out, looted, or destroyed. UNRRA staff members report that practically all children and women and at least half the men are without shoes. Quantities of supplies of contributed clothing, purchased textiles and footwear have been sent to Poland by UNRRA.

The health problem in Poland is also very serious. Tuberculosis, typhoid fever, venereal diseases, and dysentery are rampant. Estimates of reliable observers indicate that 10,000 persons are succumbing to diseases each month. Infant mortality is extremely high. The incidence of typhus in western Poland is particularly high as the result of war dislocation and break-down of sanitary facilities in the great movements of people from east to west. The need for medical supplies of all kinds is urgent, and as many of such supplies as possible are being sent by UNRRA.

YUGOSLAVIA

UNRRA shipments to Yugoslavia during the third quarter of 1945 amounted to about 330,000 tons. Yugoslavia was supplied entirely by UNRRA procurement beginning July 1, 1945. Prior to that time military supplies had been the primary means of civilian relief, but supplies shipped into the country between April 15 and June 30 were bought by UNRRA from Allied military authorities.

UNRRA supplies discharged in Yugoslavia during July amounted to 71,000 gross long tons, an increase of 40 percent over the June total. The rise in deliveries was due primarily to the use of the port of Trieste. About half of the supplies docked consisted of industrial and agricultural rehabilitation goods, medical supplies, and clothing and textiles.

During August 77,400 gross long tons of UNRRA supplies were landed in Yugoslavia, and in September 24 UNRRA ships landed 117,000 tons of supplies, more than two-thirds of which was food. Since September 1 a substantial increase in shipments to Yugoslavia was scheduled to help build stock piles in the interior areas of the country, which are isolated during the winter months.

To break Yugoslavia's transport bottleneck in the distribution of relief supplies, UNRRA dispatched more than 5,700 trucks and trailers during September. A majority of the vehicles were bought from the military surpluses in Italy.

Until the 1946 harvest, Yugoslavia will have to depend on imported cereal supplies and protective foods. Clothing and textiles, agricultural and industrial rehabilitation goods and medical supplies will have to be imported for some time to come. About 50 to 60 percent of all livestock was destroyed by war, and large segments of Yugoslavia's communications and industrial plants were destroyed or sabotaged during the occupation. The 1945 harvest will be only about 50 percent of normal because of the smaller area under crops and the severe drought that hit all of southeastern Europe.

UNRRA is helping Yugoslavia in reequipping and reestablishing its badly damaged hospital and medical services. A survey of

nutritional deficiency diseases undertaken in Sarajevo showed the majority of the children were suffering from rickets and other nutritional diseases. Similar surveys are planned on a larger scale. Health officers and staff personnel have started to work in the field. Work on typhus control continued, as did the survey on malaria control. A nurses' training program was in process of development. UNRRA welfare specialists were surveying children's institutions to determine their requirements for continued operations.

ETHIOPIA

A mission to Ethiopia, with the primary purpose of instituting a program of training in the fields of welfare, health, and medical services, was being organized and a chief of the mission was appointed.

WESTERN AND NORTHERN EUROPE

UNRRA had been engaged in a limited program to provide some emergency relief supplies to liberated countries that had not applied for general assistance. None of the member governments of western and northern Europe has requested UNRRA to provide relief and rehabilitation supplies and services on a broad scale, but some food and considerable quantities of contributed clothing were sent to help alleviate immediate distress in the months immediately following the end of the war in Europe.

FRANCE

Emergency supplies consigned to France were destined for use by war victims whose homes and household goods had been destroyed, and for Allied nationals displaced in the country. By the end of September 227 tons of food and clothing were consigned for shipment for the use of French war victims and 265 tons of food, clothing, and medical supplies were sent for displaced persons in France. In addition, 7,406,000 pounds of used clothing had been shipped to France, chiefly to clothe returning prisoners of war and deportees.

BELGIUM AND LUXEMBURG

The allocation of used clothing to Belgium and Luxembourg was 3,000,000 pounds. The Belgium authorities were responsible for re-allocation and delivery of 10 percent of the total to the Grand Duchy of Luxembourg. As of September 28, 3,098,420 pounds had been shipped to Belgium.

At the end of September 46 tons of emergency supplies allocated to Belgium had been shipped or handed over for shipment, and 78 tons of supplies allocated to Luxembourg had been delivered for shipment.

DENMARK

During the third quarter of 1945 Denmark requested supplementary relief supplies for Allied and stateless displaced persons in her territory. The number of such persons requiring assistance was estimated at 7,500. UNRRA undertook to supply quantities of used blankets, footwear, and medical supplies.

THE NETHERLANDS

One hundred ninety-eight tons of emergency relief supplies had been handed over to The Netherlands Government and an additional 75 tons were allocated. Final arrangements have been made for turning over 4,000,000 pounds of used clothing for The Netherlands proper and 2,000,000 pounds for the Netherlands East Indies.

NORWAY

UNRRA has delivered for shipment to Norway 136 tons of emergency relief supplies, and final arrangements have been made for turning over to the Norwegian authorities 1,000,000 pounds of contributed clothing. Norway has requested UNRRA's aid in obtaining quantities of gypsum, molasses, household equipment, hemp, and optical instruments.

THE FAR EAST AND THE PACIFIC

China

VJ-day represented the sudden transition of UNRRA activities in the Far East from a planning to an operational stage. Plans called for a rapid increase of field personnel. As of September 30, 1945, the staff of the China office consisted of 53 persons on regular appointments and 21 en route to China to assume their duties. Requests have been received from the China office for a total of 974 additional personnel for service there, about half of the persons to be recruited are scheduled for work with Chinese National Relief and Rehabilitation Administration and the Chinese Government.

Prior to VJ-day UNRRA activities in China were valuable even though necessarily limited in scope. An UNRRA medical mission arrived in Chungking early in August to combat the spread of cholera. UNRRA also shipped in 4 tons of anticholera supplies. From June 2 to August 18 more than 2,300 persons were hospitalized and 500,000 more were inoculated. Mortality among cholera cases, which reached 40 percent before the establishment of emergency hospitals, was reduced to between 5 percent and 15 percent, and the crisis in Chungking passed. UNRRA personnel was assisting the Chinese National Relief and Rehabilitation Administration in setting up medical establishments and in developing the relief and rehabilitation machinery in two liberated provinces, Kwangsi and Kweichow.

Following the Japanese surrender, UNRRA has been accelerating its program of supply shipments to China. In addition UNRRA has sought to develop a program of procurement of surplus military supplies. This program is being developed in categories which command high priority within the 6 months requirements for China and the China office has been provided with an advance of \$2,000,000 against which to make emergency purchases of locally available United States Government-owned excess and surplus supplies in China.

The Philippines

The first shipment of the emergency supplies, under UNRRA's \$1,000,000 emergency relief program for the Philippines arrived in the Philippines in mid-September and the second was scheduled to arrive at the end of September. These shipments included about 12,500,000 pounds of food and over 93,000 pounds of medical supplies. The arrival of these supplies resulted in an immediate and marked decrease in the prevailing inflated market prices.

In addition to the above supplies, contributed clothing amounting to 4,019,479 pounds was made available for shipment to the Philippines.

The UNRRA office established in Manila assisted the Philippine Government authorities. This office is also making preliminary arrangements for the purchase of suitable Army surpluses in the Philippines.

Korea and Formosa

At the third session of the UNRRA Council held in London in August Korea was designated as an area in which UNRRA was authorized to operate under the same terms and conditions as in other liberated areas. Letters have been dispatched to the American and Soviet military authorities occupying respectively the southern and northern zones of Korea, informing them of that country's eligibility for assistance and requesting liaison arrangements to enable UNRRA to plan appropriately for its activities in the areas concerned.

Relief and rehabilitation operations in Formosa are included in the general program for China.

CHAPTER 4. SERVICE PROGRAMS

The UNRRA program is designed to relate supplies and services in a manner to bring maximum assistance to the people of the liberated countries. War and occupation not only resulted in physical destruction of hospitals and other institutions and facilities vital to the health and welfare of the liberated populations, but also in the disorganization and disruption of the administrative organizations which managed these institutions and facilities. For these reasons UNRRA is being called upon by governments of liberated areas to provide the services of a number of technical experts in the fields of health, welfare, displaced persons operations, and agricultural and industrial rehabilitation in order to aid the liberated nations in such fields and making maximum use of imported relief supplies and in developing programs which will make it possible for the countries to take care of their own problems in these fields as speedily as possible.

Each of the following sections describes a major type of service provided by UNRRA technicians.

HEALTH AND EPIDEMIC CONTROL

UNRRA doctors, nurses, and sanitary engineers have been aiding the governments to reestablish and strengthen their public health and sanitation organizations, for the purposes of epidemic control and of raising the level of public health above its critically low state. Widespread undernourishment and the lack of proper clothing and footwear have made the populations of liberated areas particularly vulnerable to disease. The threat is increased by extensive war damage to housing, water systems, drains, sewers, and other facilities, creating conditions that lead to outbreaks of typhoid, typhus, and malaria.

The UNRRA program of health and epidemic control includes the publication of a semimonthly, Epidemiological Information Bulletin, distributed to health officials throughout the world, informing them of the danger spots in diseases and epidemics. Publication of this bulletin is part of UNRRA's larger task of administering the International Sanitary Conventions of 1944. A Bulletin of Communicable Diseases and Medical Notes is also prepared in the European Regional Office in London.

By September 30 approximately 200 doctors, nurses, and sanitary engineers were employed on the UNRRA staffs of the various country missions, exclusive of those employed in the displaced persons operations in Europe and the Middle East. In addition to helping governments determine their needs for medical and sanitary supplies, and advising them on the general organization of public health services, these technicians have been organizing immediate programs to combat malaria and tuberculosis, two diseases so prevalent in Europe that they have lowered the level of health to the point where elementary economic reconstruction has been placed in jeopardy.

MALARIA CONTROL

Substantial increases in the incidence of malaria have occurred in much of Europe, particularly in the Balkan states. About 85 percent of the area of Greece is now malarial, with an annual rate of over a million cases resulting in approximately 5,000 deaths.

In the Pontine area of Italy the percentage of malaria has jumped from 2 to 35 as a result of war damage to the pumping system which formerly drained the marshes. UNRRA doctors and sanitary engineers have been working closely with Greek and Italian officials in setting up programs for ditching and draining mosquito-breeding areas. They were training local personnel in the use of DDT for spraying infested areas and were spraying swamp areas in Greece with DDT,

using aircraft purchased from United States Army surpluses. In addition UNRRA supplied large quantities of atabrine and quinine for treatment of approximately 2,500,000 victims.

TUBERCULOSIS CONTROL

Although exact statistics are not yet available on the incidence of tuberculosis in the liberated areas, it is apparent that it has increased to epidemic proportions. In Rome, for example, it is known to have more than doubled between 1940 and 1944, and in Poland it has reached unprecedented proportions.

To aid in the detection and isolation of active cases, UNRRA is supplying portable X-ray units to the liberated areas and UNRRA physicians are helping the governments organize surveys in both urban and rural areas. Thus far, Greece, Italy, and Yugoslavia have been particularly active in this respect. In these countries UNRRA physicians have been helping organize local groups to conduct antituberculosis educational campaigns.

War damage to hospitals has made it difficult to hospitalize even serious tuberculosis cases. Approximately half of the prewar tubercular hospital facilities were destroyed in Greece, and about one-fifth of all hospitals beds in Italy are demolished. As one of the elements in its health and epidemic control programs, UNRRA has been procuring and shipping equipment to reestablish destroyed hospital facilities.

WELFARE SERVICES

As an aftermath of the war, governmental authorities in the liberated areas are faced with urgent problems in providing both the basic necessities and satisfying the special needs of the more vulnerable groups in the population—the children, the aged, the disabled, and those totally without resources. To assist the governments in developing programs to meet the needs of these groups, UNRRA had made available the services of about 50 welfare specialists, exclusive of those employed in displaced persons operations. Major welfare problems which these experts were helping the authorities to solve include:

1. The organization of administrative machinery for the distribution of relief supplies to persons without resources.
2. The restoration and development of facilities and programs for the care of war-victimized, orphaned, homeless, and other children and other groups requiring special care, such as the aged and physically handicapped.
3. The organization and training of local personnel to operate the various welfare programs.

RESTORATION OF SOCIAL WELFARE MACHINERY

The war disorganized welfare administration in the areas occupied by the enemy. In Italy and in Greece particularly, the governments have found it necessary to develop new channels for distribution of relief supplies. In Greece, UNRRA has been helping the Government to organize a nation-wide system of feeding centers to distribute relief in an effective and equitable manner, and UNRRA personnel have been assisting in the training of officials who will administer the country's welfare programs.

In Italy, where UNRRA has been providing a limited program of aid, its personnel was helping to determine which areas were most in need of aid and which mothers and children were most in need of supplementary feeding from UNRRA supplies. UNRRA personnel has also been providing instruction in the use and preparation of UNRRA foods.

CHILD CARE

It is reported that 600,000 children in Poland, 575,000 children in Yugoslavia, and 50,000 in Greece have been deprived of one or both parents or been left homeless by the

war. Moreover, the inadequacy of food rations available to the general population requires that the governments organize supplementary feeding programs for children. The magnitude of the special programs being undertaken or planned by the governments receiving UNRRA aid may be seen from the following table:

TABLE 1.—Child-welfare programs planned by governments receiving UNRRA aid

Country	Estimated population 18 years of age and under	To receive supplementary feedings ¹	To receive day, residential, and other care ²
Albania.....	450,000	(2)	(2)
Czechoslovakia...	4,700,000	750,000	800,000
Greece.....	2,500,000	1,000,000	430,000
Italy.....	15,000,000	1,750,000	1,250,000
Poland.....	7,000,000	600,000	600,000
Yugoslavia.....	6,000,000	500,000	575,000

¹ Columns (3) and (4) are not exclusive.

² No information available on programs planned by the government.

UNRRA welfare specialists have been aiding the various governments in surveying the over-all child-care problem and in determining the supplies necessary to reestablish children's institutions and facilities for feeding. They were also helping to train local workers to assume the child-care job.

CARE AND REPATRIATION OF DISPLACED PERSONS

A major responsibility of UNRRA has been the care of United Nations nationals displaced in other countries as a result of enemy action and arranging for their return to their national homelands. This job required that additional emergency supplies be sent for the use of persons displaced into areas not in themselves eligible for UNRRA assistance—such areas as the Middle East and Germany.

In countries receiving general assistance through UNRRA shipments included supplies for the needs of displaced persons as well as for those of the indigenous population. In Germany UNRRA was providing supplementary commodities such as blankets, clothing, and welfare supplies for use of displaced persons.

MIDDLE EAST

In May 1944 UNRRA assumed the responsibility of caring for about 40,000 Greek, Yugoslav, and Polish refugees in the Middle East. They were housed in six camps taken over from the British military authorities. In addition to providing the basic essentials of food, clothing, shelter, and medical care, UNRRA worked with the refugees to develop workshops, schools, nurseries, recreational programs, and other community activities.

Repatriation of these refugees began as soon after their countries were liberated as shipping became available, and at the beginning of September slightly more than 27,000 of the refugees, comprising about 8,400 Greeks, 15,400 Yugoslavs, and 2,900 from the Dodecanese Island had been repatriated. The 13,000 who remained in the Middle East camps were being sent home as quickly as transportation facilities became available.

The repatriation of another group, approximately 40,000 Polish refugees now in camps scattered throughout Africa, may also become UNRRA's responsibility.

GERMANY

In Germany UNRRA has assisted the American, British, and French military authorities in their displaced persons operations. UNRRA's activities have been based upon an agreement signed with SHAEF in November 1944, under which UNRRA undertook to supply teams of workers to assist the military authorities in the care and repatriation of displaced persons in the SHAEF zones. The first UNRRA staff was called forward in

March 1945. As of September 30, 4,323 UNRRA workers were working in camps and assembly centers established by the military, 449 additional personnel were in a forward staging area awaiting deployment into the field.

TABLE 2.—Status of displaced persons in western Germany on selected dates, June to September 1945

Date	Number repatriated	Number remaining
June 18.....	3,076,000	2,084,000
July 30.....	4,166,000	2,031,000
Sept. 30.....	5,276,000	1,342,000

UNRRA teams consisted of up to 13 persons, including doctors, nurses, welfare specialists, and administrative officers. They worked under the direction of military authorities who have had final responsibility for supplies, shelter, and transport, as well as for determining basic policies. However, responsibility for administration of the centers was being assumed increasingly by the UNRRA teams, and in a large number of centers the military detachment had already been withdrawn.

Of the 6,600,000 displaced persons and slave laborers handled by the military authorities in western Germany, about 5,300,000 have been repatriated and 1,300,000 were still being cared for in the assembly centers as of September 30. About two-fifths of these remaining displaced persons were in the American zone. The progress of repatriation is indicated in table 2.

The rate of repatriation of those still remaining would necessarily be slower than in the past. A relatively large number were "stateless," and many had not yet indicated a wish to return to their countries.

The following table indicates the number of displaced persons remaining in assembly centers in western Germany, on selected dates.

TABLE 3.—Number of displaced persons in Germany, by nationality, July to September 1945

Nationality	July 12	Aug. 1	Sept. 4	Sept. 30
Total.....	2,276,000	2,174,000	1,491,000	1,342,000
Czechoslovak.....	11,000	5,000	3,000	4,000
Greek.....	10,000	9,000	5,000	1,000
Italian.....	278,000	238,000	83,000	10,000
Polish.....	881,000	600,000	846,000	817,000
Russian.....	568,000	475,000	62,000	35,000
Yugoslav.....	113,000	94,000	46,000	28,000
Western European.....	13,000	10,000	6,000	6,000
Ex-enemy.....		240,000	211,000	207,000
Miscellaneous and unclassified.....	402,000	203,000	229,000	234,000

Negotiations were proceeding with the military for UNRRA to take over the direction of the displaced persons operations. Pending the conclusion of these discussions UNRRA was assisting the military in "winterizing" the displaced persons centers and in introducing certain health and welfare measures necessary for the comfort and well-being of the displaced persons.

AUSTRIA

In June 1945, UNRRA agreed to assist the United States military authorities in Austria with their displaced persons operations under arrangements similar to those made with authorities in Germany. Later, similar arrangements were made with the British and French military staffs in the country. On September 30, 276 UNRRA workers had been deployed into assembly centers and camps in Aus-

tria. Military authorities reported about 120,000 displaced persons of United Nations nationality in the United States and British zones in Austria at the end of October. An additional 25,000 were estimated to be in the French zone. Reports indicated that these totals might be increased because of the large number of displaced persons now outside assembly centers who might ask for aid when cold weather sets in.

THE FAR EAST

The staggering problem of repatriating the war-dislocated populations of the Far East was the subject of exploratory discussions between UNRRA and the member governments concerned during the third quarter of 1945. Although precise information as to the number and location of displaced persons was not immediately available, UNRRA was attempting to ascertain the conditions and needs which will govern its activities in this connection and is prepared to assume responsibility as called upon to act by the member governments.

UNRRA already had participated in these areas in movements of displaced persons back to their homelands. In September UNRRA and the American Advisory Committee, a voluntary agency, assisted the Chinese National Relief and Rehabilitation Administration in a movement of persons dislocated within China. In August, at the request of Chinese authorities and the Philippine Government, UNRRA undertook the repatriation of Chinese nationals who had been brought to the Philippines by the Japanese as forced labor.

CHAPTER 5. SUPPLY OPERATIONS

As of June 30, 1945, UNRRA's cumulative shipments totaled 1,100,993 tons, with a landed cost value of \$217,431,000. Three months later the shipment totals had approximately doubled. As of September 30, cumulative shipments amounted to 2,126,222 tons, with a landed cost value of \$433,816,000.¹

By the end of September the availability of shipping was no longer a major limiting factor in UNRRA's operations. Commodities were also available in sufficient quantities, except for a few items such as sugar, oils and fats, rice, and cotton textiles, which remain in seriously short supply throughout the world. The principal limitation on UNRRA's ability to meet relief and rehabilitation needs is now the amount of money and materials which the member nations are willing to contribute.

RATE OF COMMITMENT OF FUNDS

UNRRA must commit its funds to procure supplies several weeks or months before the supplies are actually shipped, the time varying with the nature of the commodity. Most staple foods can be ordered, delivered to port, and loaded on board ships within a relatively short time, but items such as drugs, tractors, and trucks may take several months or longer to obtain.

In order to keep up a steady flow through the supply pipe line, UNRRA had found it necessary by September 30—when, as already noted, \$433,816,000 worth of supplies had been shipped—to commit an additional amount of approximately \$600,000,000 for the purchase of other commodities. Those funds were being used to procure materials in the United States and many other areas, including the United Kingdom, Australia, New Zealand, India, South Africa, Southern Rhodesia, Egypt, Iraq, Iran, and Latin America.

¹ The cumulative figures are computed on the basis of the vessels which have cleared port during the period. The cumulative figures given in previous reports were computed on the basis of the vessels which were being loaded during the period, and are therefore slightly higher for any given period.

TABLE 4.—Composition of UNRRA supplies shipped from all sources as of Sept. 30, 1945¹

Supply program	Estimated cost		Gross long tons	
	United States dollars	Per cent	Tons	Per cent
Food.....	136,203,000	48	1,058,199	67
Clothing, textiles, and footwear.....	87,967,000	31	81,539	5
Agricultural rehabilitation.....	23,919,000	8	169,480	11
Industrial rehabilitation.....	22,538,000	8	250,689	16
Medical and sanitation.....	13,223,000	5	11,315	1
Total (FAS. basis).....	283,850,000	100	1,571,222	100
Ocean transportation.....	44,966,000			
Supplies acquired from military through June 30, 1945 ²	105,000,000		555,000	
Grand total.....	433,816,000		2,126,222	

¹ Does not include supplies estimated to amount to \$10,000,000 taken over from the military for the UNRRA camps, or supplies procured from Army surpluses in continental Europe since Aug. 1, 1945.

² Pending a complete inventory, final figures on the composition and total amount of these supplies are not available. These supplies were originally purchased by the military authorities for civilian relief in the Balkans and were transferred to UNRRA on the termination of military responsibility for relief.

PROCUREMENT IN THE UNITED STATES

As of September 30, Congress had appropriated \$800,000,000 for UNRRA. After deducting allocations for administrative expenses, relief and rehabilitation services, and the cost of warehousing and ocean shipping, \$753,316,000 remained for the purchase of supplies. UNRRA had committed this entire amount by September 30, \$660,316,300 going for the purchase of supplies from sources within the United States and from United States military surpluses overseas. The remaining \$93,000,000, the so-called convertible funds which UNRRA is authorized to expend outside the United States, was committed for the purchase throughout the world of scarce supplies which cannot be procured in this country.

SURPLUSES

Of the \$660,316,300 committed from the United States contribution by September 30, approximately \$64,000,000 had been earmarked for the purchase of surpluses from agencies of the United States Government. The effect of those purchases—and the sizable purchases of Government surpluses which UNRRA plans to make in the future—is to return the purchase price to the United States Treasury.

Also in September a joint mission was sent to Europe by the United States Government and UNRRA to procure an additional \$150,000,000 worth of supplies from the United States military surpluses located in the European and Mediterranean theaters of war. A tentative break-down of the surplus supplies to be requisitioned in those theaters follows:

Industrial rehabilitation items.....	\$83,000,000
Agricultural rehabilitation items.....	27,000,000
Food.....	22,000,000
Clothing, textiles, and footwear.....	10,000,000
Medical supplies and equipment.....	8,000,000
Total.....	150,000,000

The above list includes some 200 locomotives and more than 40,000 trucks. Available food supplies include individual Army field rations, canned meats, meat hash and stew, concentrated citrus fruit juices, and miscellaneous foodstuffs. Substantial quantities of soap, blankets, footwear, and medical sup-

piles are included in the surplus supplies. By the end of September surplus United States Army trucks were being delivered by UNRRA to Greece, Yugoslavia, Poland, and Czechoslovakia.

PROCUREMENT IN OTHER COUNTRIES

As in the United States, the rate of procurement in other countries has been sharply accelerated since VJ-day.

As of September 30, UNRRA had committed virtually the entire Canadian operating contribution of approximately \$69,000,000, since many items which are not obtainable elsewhere have recently been available in Canada. Deliveries of Canadian trucks, for example, were being made to Poland and Czechoslovakia at the rate of 200 per day late in September.

Because the supply situation in the United Kingdom is still tight, UNRRA had only committed approximately one-half, the equivalent of \$149,828,166 of the United Kingdom operating contribution by September 30. A substantial part of those funds is being used to pay for British military surpluses, including trucks and medical supplies, now available to UNRRA. The equivalent of an additional \$40,000,000 has been allocated for the payment of freight charges on British vessels.

Funds contributed by Australia, New Zealand, India, and South Africa have been committed for a variety of commodities obtainable in those countries, such as raw wool, raw cotton, surplus military clothing, structural steel, peanuts, tea, jute, and burlap. Almost \$25,000,000 had been committed by September 30 for purchases in Latin America of items such as sugar, rice, fish, animal feeds, pulses, cotton fabrics, hides, and twine.

SHIPMENTS THROUGH SEPTEMBER 30

As shown in table 4, page 32, food accounted for the largest share of UNRRA shipments through September 30, 1945, amounting to two-thirds of the total tonnage and to about 50 percent of the total value. Food shipments probably will continue in first place until the receiving countries bring in their 1946 harvests. Finished clothing and footwear and the raw materials required to manufacture those items followed food in importance. Recipient governments have asked that the highest priority be placed on shipments of medical supplies, and the speedy delivery of UNRRA drugs and medicines already has helped to prevent widespread epidemics in Europe and China. Shipments of agricultural and industrial rehabilitation supplies, difficult to procure but most useful in getting the war-shattered economies on a self-sustaining basis, have been steadily mounting.

Table 5, page 39, breaks down shipments through September 30 according to countries of destination. Limitations on port-reception capacity and inland transport facilities continued to hamper deliveries during the July-September quarter, but these obstacles were being gradually overcome.

SHIPMENTS OF FOOD

During the third quarter UNRRA shipped 616,840 tons of food, with an estimated value of \$75,591,000. Over 75 percent was in the form of grain, mainly wheat and flour. Except for wheat and wheat products, however, UNRRA's food shipments failed to augment local food supplies sufficiently to meet minimum subsistence requirements.

CLOTHING, TEXTILES, AND FOOTWEAR

By September 30 UNRRA had shipped 81,539 tons of clothing, textiles, footwear, and raw materials for their manufacture, having a total value of \$87,967,000. UNRRA was increasing shipments of raw materials

for the manufacture of clothing by the liberated areas themselves. Eighty-seven percent of the UNRRA raw-cotton program for 1945 will be met from United States supplies, involving a total expenditure of \$43,200,000. The procurement of raw wool in the United States has thus far amounted to \$21,000,000.

Supply shortages continued to limit UNRRA's shipment of blankets, footwear, and piece goods during the quarter. At the end of September about 2,000,000 pairs of shoes had been shipped to liberated areas.

MEDICAL AND SANITATION SUPPLIES

By the end of the quarter approximately 75 percent of the basic program for medical supplies to Albania, Czechoslovakia, Greece, Italy, Poland, and Yugoslavia had been procured and made available for shipment. A large portion of this amount had already been shipped, including drugs, hospital equipment, surgical instruments and dressings, X-ray equipment, laboratory equipment and supplies, dental equipment, DDT and sprayers, which are urgently required in malaria control.

The medical program has not been hampered by shortages of supplies except in the case of penicillin, for which the need far exceeds the supplies available to UNRRA. Thus far about 75 percent of the medical supplies purchased have come from military surpluses, which are expected to continue to be the chief source of future procurement.

AGRICULTURAL REHABILITATION SUPPLIES

By the end of the third quarter, UNRRA had shipped 69,480 tons of agricultural rehabilitation supplies with a value of \$23,919,000. Greece, Albania, Czechoslovakia, Poland, and Yugoslavia had received the essential supplies and equipment for their 1945 fall harvesting and seeding operations, and the delivery of those vital items should substantially reduce the need for imported food in 1946. Thirty-six thousand tons of seeds had been shipped by the end of September. The short supply of pesticides, however, pre-

vented 1945 requirements from being fully met. Shipments of farm tractors were small during the July-September quarter, but a sizable procurement program has been initiated.

The depletion of European livestock has been so great that UNRRA supplies will fill only a very small part of the loss. Despite the shortage of livestock boats, however, some 20,000 animals had been delivered by the end of September.

INDUSTRIAL REHABILITATION SUPPLIES

Shipments of industrial rehabilitation supplies increased sharply during the third quarter. The value of shipments in September was several times that of shipments in July. Most of the increase resulted from the movement of trucks, essential to the efficient and economical management of a relief program. The trucks permit wider distribution and consumption of local supplies, thus reducing the need for bulk imports and they also facilitate the rapid distribution of the supplies which UNRRA itself brings into the country. Most of the trucks are being obtained from United States military surpluses.

CONTRIBUTED SUPPLIES

Over 100,000,000 pounds of used clothing contributed by the people of the United States in the national clothing collection last spring were on their way to the liberated areas of Europe and the Far East by the end of September. The outstanding success of this collection, sponsored by UNRRA in cooperation with American voluntary agencies for foreign relief, stimulated the organization of a second Nation-wide victory clothing collection, to begin on January 7. UNRRA also organized a victory collection of canned food, in cooperation with the Department of Agriculture, the United States Department of Education, and other agencies, to provide an opportunity to individuals, groups, and organizations to donate commercially canned food for overseas relief.

TABLE 5.—Quantities and estimated value of supplies shipped by UNRRA, cumulative through Sept. 30, 1945¹

Type of supply	Total	Country							Other UNRRA operations ²
		Albania	China	Czechoslovakia	Greece	Italy	Poland	Yugoslavia	
Gross long tons									
Total.....	2,126,222	20,044	213	153,868	1,215,112	101,675	156,608	471,212	7,490
Food.....	1,058,199	14,219	13	83,428	514,127	97,445	84,733	262,693	1,241
Clothing, textiles, and footwear.....	81,539	337	-----	18,532	13,004	2,313	25,358	21,090	905
Agricultural rehabilitation.....	169,480	2,459	6	41,678	55,774	73	28,292	41,186	12
Industrial rehabilitation.....	250,689	2,895	-----	8,305	185,962	503	14,872	32,857	5,295
Medical and sanitation.....	11,315	134	194	1,925	1,245	1,341	3,353	3,086	37
Supplies acquired from military ³	555,000	-----	-----	-----	445,000	-----	-----	110,000	-----
Thousands of United States dollar equivalents									
Total.....	433,816	2,570	219	42,840	168,194	20,475	61,185	89,666	3,701
Food.....	136,203	1,274	4	13,589	56,832	14,189	18,954	31,085	276
Clothing, textiles, and footwear.....	87,967	548	-----	17,865	12,808	4,500	27,517	23,795	928
Agricultural rehabilitation.....	23,919	326	3	5,904	5,924	35	6,139	5,582	6
Industrial rehabilitation.....	22,538	272	-----	2,912	7,099	250	4,556	5,032	2,417
Medical and sanitation.....	13,223	150	212	2,570	1,342	1,495	4,019	3,361	74
Ocean transportation.....	44,966	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)
Supplies acquired from military ³	105,000	-----	-----	-----	84,189	-----	-----	20,811	-----

¹ The figures cover the cargo of the vessels that actually sailed (cleared) from their ports of loading. They do not include cargoes on ships which presented for loading (berthed) during the period but has not yet cleared. They also do not include supplies estimated to amount to \$10,000,000, taken over from the military for the UNRRA camps or trucks procured from Army surpluses in continental Europe since Aug. 1, 1945.

² Includes shipments to UNRRA camps, shipments under the Emergency Relief Program for Western Europe, and shipments for displaced persons operations.

³ Estimated supplies bought from the military through June 30, 1945; final figures are not yet available.

⁴ Ocean freight costs not distributed by country.

CHAPTER 6. UNRRA FINANCE

During the third quarter of 1945 the Administration was reaching the limit of its available fiscal resources, despite the fact that its job was only partially completed. In order to stave off mass epidemics, starvation, and unrest this coming winter in the liberated lands, UNRRA looked to the 31 uninvaded nations for additional contributions. At the end of September the fulfillment of various national authorizations of funds, in particular that of the United States, was required to provide UNRRA with the means for continuing adequate operations through the remainder of the calendar year.

CONTRIBUTIONS OF MEMBER GOVERNMENTS

At its first session, held in November 1943, the UNRRA Council recommended that each member government whose home territory had not been occupied by the enemy should contribute an amount approximately equivalent to 1 percent of its national income for the year ending June 30, 1943. During the third UNRRA Council session, held in August 1945, it was recommended that the 31 uninvaded nations make available an additional 1 percent contribution to enable UNRRA to terminate operations in Europe by the end of 1946 and in the Far East by the end of the first quarter of 1947.

UNRRA's funds are earmarked for two purposes—operating and administrative. The operating budget is financed from the contributions of the uninvaded nations. The administrative budget is financed not only from the above contributions of the uninvaded nations, but also from administrative contributions levied on the 16 nations which were liberated from enemy occupation.

By September 30, 1945, total contributions authorized by the 47 member governments, or in process of authorization, amounted to \$1,882,759,991. Of this amount \$1,866,116,241 consisted of operating contributions of 26 uninvaded countries, including the United States. Five nations had not made contributions by September 30. Amounts totaling three-fourths of these operating contributions, or \$1,268,750,254, had been paid or were available on request and the balance of \$597,365,987 was in process of contribution.

An amount less than 1 percent of the total contributions or \$16,643,750 was to be provided for administrative purposes by the 47 member governments. By September 30, 1945, \$15,415,334 had been paid and the balance of \$1,228,416 was payable in the remaining months of 1945.

Total contributions, operating and administrative, are summarized below:

TABLE 6.—Status of UNRRA funds as of Sept. 30, 1945

(In United States dollar equivalents)

	Total funds	Operating funds	Administrative funds
Total contributions authorized or in process of authorization.....	1,882,759,991	1,866,116,241	16,643,750
Less: Contributions in process.....	598,594,403	597,365,987	1,228,416
Contributions paid or available on request.....	1,284,165,588	1,268,750,254	15,415,334
Less: Contributions committed by UNRRA.....	1,133,277,798	1,122,131,582	11,146,216
Contributions available for commitment by UNRRA.....	150,887,790	146,618,672	4,269,118

TABLE 7.—Allocations, obligations, and expenditures of funds from United States appropriation for UNRRA as of Sept. 30, 1945

Classification	Alloca-tions	Obliga-tions	Expendi-tures
Supplies.....			
Clothing, textiles, and shoes.....	\$162,270,203	\$131,313,322	\$31,779,678
Food.....	133,309,421	133,309,421	29,483,800
Agricultural rehabilitation supplies.....	36,042,116	70,513,271	15,246,915
Industrial rehabilitation supplies.....	65,222,317	36,743,436	23,071,454
Medical and sanitation supplies.....	31,199,184	20,221,055	78,222
United States property located overseas.....	157,190,100	151,419,106	-----
Reserve for accessorial costs.....	28,035,662	28,035,662	1,036,887
Unallotted allocation balances.....	44,720,297	-----	-----
Total supplies.....	658,090,100	531,555,273	101,590,956
Services.....			
Ocean transportation.....	21,700,000	21,346,321	188,253
Relief and rehabilitation.....	893,805	790,852	700,065
Administrative expenses.....	1,573,600	1,573,600	1,285,020
Total services.....	24,167,405	23,710,773	2,973,340
Funds transferred to UNRRA:			
United States share of UNRRA's administrative expenses.....	7,000,000	7,000,000	7,000,000
Emergency revolving fund.....	3,300,000	3,300,000	3,300,000
Chinese training program.....	145,000	145,000	145,000
Overseas working fund.....	250,000	250,000	250,000
United national clothing collection fund.....	350,000	350,000	350,000
Administrative expense adjustment fund.....	6,418,500	6,418,500	6,418,500
Handling and accessorial services fund.....	750,000	750,000	750,000
Currency fund to finance purchases outside United States.....	75,000,000	75,000,000	75,000,000
Canning program fund.....	50,000	50,000	50,000
Total funds transferred.....	93,263,500	93,263,500	93,263,500
Grand total.....	775,521,005	648,529,546	197,827,796

Further detail on contributions by each member government appears in table 9.

UNITED STATES CONTRIBUTION TO UNRRA

By joint resolution of Congress, March 28, 1944, a contribution of not more than \$1,350,000,000 was authorized as the United States share toward the work of UNRRA, representing approximately 1 percent of our total national income during the base year. This resolution provided that funds appropriated pursuant to it were to be expended under the direction of the President.

On June 30, 1944, Congress appropriated an initial \$450,000,000 toward UNRRA operations—UNRRA Participation Appropriation Act—and authorized transfer of an additional \$350,000,000 in supplies, services, and funds available for disposition or expenditure under the Lend-Lease Act, provided that the state of war permitted the utilization of these items for UNRRA purposes, and provided that the FEA Administrator approved the transactions.

On June 27, 1945, the items represented by this \$350,000,000 were declared available to UNRRA without prejudice to military plans (letter to FEA Administrator from Admiral William D. Leahy, acting for the Joint Chiefs of Staff). The FEA Administrator thereupon directed use of \$100,000,000 of lend-lease funds for procurement of commodities, supplies, and services for UNRRA. A portion of the remainder of the authorized \$350,000,000 was designated for the purchase of supplies originally procured for lend-lease purposes, but now in the surplus stocks of United States agencies.

TABLE 8.—Allocations, obligations, and expenditures of funds from United States appropriation for UNRRA

	Alloca-tions	Obliga-tions	Expendi-tures
Cumulative to—			
Sept. 30, 1944.....	\$79,324,900	\$4,465,335	\$4,253,423
Dec. 31, 1944.....	161,165,885	38,306,690	6,173,417
Mar. 31, 1945.....	272,213,689	163,077,667	41,141,536
June 30, 1945.....	425,713,689	239,011,073	115,643,317
Sept. 30, 1945.....	775,521,005	648,529,546	197,827,796

EXPENDITURES AGAINST CONTRIBUTED FUNDS: ALL NATIONS

By September 30, 1945, UNRRA had expended or committed over 86 percent of its available resources.

Of the \$1,268,750,254 operating contributions paid (or available on request) \$1,122,131,582 had been expended or committed for relief and rehabilitation supplies and services.

Of the \$15,415,334 available for administrative expenditures, \$11,146,216 had been expended or committed.

For all purposes, operating and administrative, UNRRA had a balance of \$150,887,790 available for commitment as of September 30.

By adding \$598,594,403 in process of appropriation, UNRRA had total resources of \$749,482,193 in prospect with which to continue its operations.

Of this approximately \$750,000,000, more than \$300,000,000 were earmarked for procurement of military surpluses.

Commitments planned for the fourth quarter of the year, based on the urgent requirements of Europe and the Far East, indicated that UNRRA's total financial resources—the \$1,882,759,991 which represented the initial contributions of the member governments—would be virtually exhausted by the end of 1945. In recognition of this fact, the UNRRA Council in August 1945 recommended that a second contribution of 1 percent of national income be made by each of the contributing nations, for the continuance of UNRRA shipments through the coming year for Europe and through the first quarter of 1947 for the Far East.

EXPENDITURES AGAINST UNITED STATES CONTRIBUTED FUNDS

Virtually all of the \$800,000,000 appropriated by Congress by September 30, 1945, for UNRRA's operations had been made available to UNRRA by that date. This amount was almost double the \$425,000,000 allocated 3 months earlier. (See table 8.) Of the \$775,000,000 allocated, \$726,000,000, or 94 percent, was for supplies; \$8,000,000, or 1 percent, for services; and \$41,000,000, or 5 percent, for ocean freight and other purposes.

TABLE 9.—Status of contributions by member governments as of Sept. 30, 1945

[In United States dollar equivalents]

Government	Total	Operating contributions		Administrative contributions	
		Paid or available on request	In process of contribution	*Paid	Due in 1945
Australia	38,400,000	38,137,500	0	262,500	0
Belgium	175,000	(1)	(1)	175,000	0
Bolivia	95,238	25,913	51,825	5,833	11,667
Brazil	30,000,000	9,737,500	20,000,000	262,500	0
Canada	69,369,369	68,844,369	0	525,000	0
Chile	2,153,312	0	2,118,312	0	35,000
China	875,000	(1)	(1)	875,000	0
Colombia	2,356,493	0	2,303,993	52,001	499
Costa Rica	400,000	0	391,250	0	8,750
Cuba	35,000	0	0	35,000	0
Czechoslovakia	175,000	(1)	(1)	100,000	75,000
Denmark	18,750	(1)	(1)	0	18,750
Dominican Republic	350,000	236,250	105,000	8,750	0
Ecuador	150,000	0	141,250	0	8,750
Egypt	4,255,833	0	4,133,333	70,000	52,500
El Salvador	128,750	0	120,000	5,000	3,750
Ethiopia	8,750	(1)	(1)	8,750	0
France	700,000	(1)	(1)	700,000	0
Greece	87,500	(1)	(1)	87,500	0
Guatemala	8,750	0	0	8,750	0
Haiti	48,750	40,000	0	8,750	0
Honduras	58,750	50,000	0	8,750	0
Iceland	717,975	709,225	0	8,750	0
India	24,042,072	23,342,072	0	700,000	0
Iran	17,500	0	0	0	17,500
Iraq	17,500	0	0	17,500	0
Liberia	8,750	0	0	8,750	0
Luxembourg	8,750	(1)	(1)	8,750	0
Mexico	3,601,500	1,078,000	2,401,000	70,000	52,500
Netherlands	262,500	(1)	(1)	262,500	0
New Zealand	8,476,600	8,423,500	0	52,500	0
Nicaragua	128,750	0	120,000	5,000	3,750
Norway	52,500	(1)	(1)	52,500	0
Panama	408,750	133,333	266,667	8,750	0
Paraguay	38,449	9,500	19,799	0	8,750
Peru	1,000,000	767,692	188,558	25,000	18,750
Philippines	8,750	(1)	(1)	8,750	0
Poland	175,000	(1)	(1)	100,000	75,000
Union of South Africa	18,135,000	3,955,000	14,005,000	175,000	0
Union of Soviet Socialist Republics	1,750,000	(1)	(1)	1,000,000	750,000
United Kingdom	322,400,000	319,775,000	0	2,625,000	0
United States of America	1,350,000,000	793,000,000	550,000,000	7,000,000	0
Uruguay	520,000	485,000	0	0	35,000
Venezuela	1,017,500	0	1,000,000	17,500	0
Yugoslavia	122,500	(1)	(1)	70,000	52,500
Total	1,882,759,991	1,268,750,254	597,365,987	15,415,334	1,228,416

* Liberated country. The Council recommended that contributions for operations be made primarily by member governments whose home territory was not occupied by the enemy

APPENDIX

JOINT RESOLUTION TO ENABLE THE UNITED STATES TO PARTICIPATE IN THE WORK OF THE UNITED NATIONS RELIEF AND REHABILITATION ORGANIZATION

Resolved, etc., That there is hereby authorized to be appropriated to the President such sums, not to exceed \$1,250,000,000 in the aggregate, as the Congress may determine from time to time to be appropriated for participation by the United States (including contributions in funds or otherwise and all necessary expenses related thereto) in the work of the United Nations Relief and Rehabilitation Administration, established by an agreement concluded by the United Nations and Associated Governments on November 9, 1943, reading as follows:

"AGREEMENT FOR UNITED NATIONS RELIEF AND REHABILITATION ADMINISTRATION

"The governments or authorities whose duly authorized representatives have subscribed hereto,

"Being United Nations or being associated with the United Nations in this war,

"Being determined that immediately upon the liberation of any area by the armed forces of the United Nations or as a consequence of retreat of the enemy the population thereof shall receive aid and relief from their sufferings, food, clothing, and shelter, aid in the prevention of pestilence and in the recovery of the health of the people, and that preparation and arrangements shall be made for the return of prisoners and exiles to their homes and for assistance in the

resumption of urgently needed agricultural and industrial production and the restoration of essential services.

"Have agreed as follows:

"ARTICLE I

"There is hereby established the United Nations Relief and Rehabilitation Administration.

"1. The Administration shall have power to acquire, hold, and convey property, to enter into contracts and undertake obligations, to designate or create agencies and to review the activities of agencies so created, to manage undertakings and in general to perform any legal act appropriate to its objects and purposes.

"2. Subject to the provisions of article VII, the purposes and functions of the Administration shall be as follows:

"(a) To plan, coordinate, administer, or arrange for the administration of measures for the relief of victims of war in any area under the control of any of the United Nations through the provision of food, fuel, clothing, shelter, and other basic necessities, medical and other essential services; and to facilitate in such areas, so far as necessary to the adequate provision of relief, the production and transportation of these articles and the furnishing of these services. The form of activities of the Administration within the territory of a member government wherein that government exercises administrative authority and the responsibility to be assumed by the member government for carrying out measures planned by the Ad-

ministration therein shall be determined after consultation with and with the consent of the member government.

"(b) To formulate and recommend measures for individual or joint action by any or all of the member governments for the coordination of purchasing, the use of ships and other procurement activities in the period following the cessation of hostilities, with a view to integrating the plans and activities of the Administration with the total movement of supplies, and for the purpose of achieving an equitable distribution of available supplies. The Administration may administer such coordination measures as may be authorized by the member governments concerned.

"(c) To study, formulate, and recommend for individual or joint action by any or all of the member governments measures with respect to such related matters, arising out of its experience in planning and performing the work of relief and rehabilitation, as may be proposed by any of the member governments. Such proposals shall be studied and recommendations formulated if the proposals are supported by a vote of the Council, and the recommendations shall be referred to any or all of the member governments for individual or joint action if approved by unanimous vote of the Central Committee and by vote of the Council.

"ARTICLE II

"Membership

"The members of the United Nations Relief and Rehabilitation Administration shall be the governments or authorities signatory hereto and such other governments or authorities as may, upon application for membership, be admitted thereto by action of the Council. The Council may, if it desires, authorize the Central Committee to accept new members between sessions of the Council.

"Wherever the term 'member government' is used in this agreement it shall be construed to mean a member of the Administration, whether a government or an authority.

"ARTICLE III

"The Council

"1. Each member government shall name one representative, and such alternates as may be necessary, upon the Council of the United Nations Relief and Rehabilitation Administration, which shall be the policy-making body of the Administration. The Council shall, for each of its sessions, select one of its members to preside at the session. The Council shall determine its own rules of procedure. Unless otherwise provided by the agreement or by action of the Council, the Council shall vote by simple majority.

"2. The Council shall be convened in regular session not less than twice a year by the central committee. It may be convened in special session whenever the Central Committee shall deem necessary, and shall be convened within 30 days after request therefor by one-third of the members of the Council.

"3. The Central Committee of the Council shall consist of the representatives of China, the Union of Soviet Socialist Republics, the United Kingdom, and the United States of America, with the Director General presiding, without vote. Between sessions of the Council it shall, when necessary, make policy decisions of an emergency nature. All such decisions shall be recorded in the minutes of the Central Committee which shall be communicated promptly to each member government. Such decisions shall be open to reconsideration by the Council at any regular session or at any special session called in accordance with article III, paragraph 2. The

Central Committee shall invite the participation of the representative of any member government at those of its meetings at which action of special interest to such government is discussed. It shall invite the participation of the representative serving as chairman of the Committee on Supplies of the Council at those of its meetings at which policies affecting the provision of supplies are discussed.

"4. The Committee on Supplies of the Council shall consist of the members of the Council, or their alternates, representing those member governments likely to be principal suppliers of materials for relief and rehabilitation. The members shall be appointed by the Council, and the Council may authorize the Central Committee to make emergency appointments between sessions of the Council, such appointments to continue until the next session of the Council. The Committee on Supplies shall consider, formulate, and recommend to the Council and the Central Committee policies designed to assure the provision of required supplies. The Central Committee shall from time to time meet with the Committee on Supplies to review policy matters affecting supplies.

"5. The Committee of the Council for Europe shall consist of all the members of the Council, or their alternates, representing member governments of territories within the European area and such other members of the Council representing other governments directly concerned with the problems of relief and rehabilitation in the European area as shall be appointed by the Council; the Council may authorize the Central Committee to make these appointments in cases of emergency between sessions of the Council, such appointments to continue until the next session of the Council. The Committee of the Council for the Far East shall consist of all the members of the Council, or their alternates, representing member governments of territories within the far-eastern area and such other members of the Council representing other governments directly concerned with the problems of relief and rehabilitation in the far-eastern area as shall be appointed by the Council; the Council may authorize the Central Committee to make these appointments in cases of emergency between sessions of the Council, such appointments to continue until the next session of the Council. The regional committees shall normally meet within their respective areas. They shall consider and recommend to the Council and the Central Committee policies with respect to relief and rehabilitation within their respective areas. The Committee of the Council for Europe shall replace the Inter-Allied Committee on European Postwar Relief established in London on September 24, 1941, and the records of the latter shall be made available to the Committee for Europe.

"6. The Council shall establish such other standing regional committees as it shall consider desirable, the functions of such committees and the method of appointing their members being identical to that provided in article III, paragraph 5, with respect to the Committees of the Council for Europe and for the Far East. The Council shall also establish such other standing committees as it considers desirable to advise it, and, in intervals between sessions of the Council, to advise the Central Committee. For such standing technical committees as may be established, in respect of particular problems such as nutrition, health, agriculture, transport, repatriation, and finance, the members may be members of the Council or alternates nominated by them because of special competence in their respective fields of work. The members shall be appointed by the Council, and the Council may authorize the Central Committee to make emergency appointments between sessions of the Council, such appointments to continue until the

next session of the Council. Should a regional committee so desire, subcommittees of the standing technical committees shall be established by the technical committees in consultation with the regional committees, to advise the regional committees.

"7. The travel and other expenses of members of the Council and of members of its committees shall be borne by the governments which they represent.

"8. All reports and recommendations of committees of the Council shall be transmitted to the Director General for distribution to the Council and the Central Committee by the secretariat of the Council established under the provisions of Article IV, paragraph 4.

"ARTICLE IV

"The Director General

"1. The executive authority of the United Nations Relief and Rehabilitation Administration shall be in the Director General, who shall be appointed by the Council on the nomination by unanimous vote of the Central Committee. The Director General may be removed by the Council on recommendation by unanimous vote of the Central Committee.

"2. The Director General shall have full power and authority for carrying out relief operations contemplated by article I, paragraph 2 (a), within the limits of available resources and the broad policies determined by the Council or its Central Committee. Immediately upon taking office he shall in conjunction with the military and other appropriate authorities of the United Nations prepare plans for the emergency relief of the civilian population in any area occupied by the armed forces of any of the United Nations, arrange for the procurement and assembly of the necessary supplies, and create or select the emergency organization required for this purpose. In arranging for the procurement, transportation, and distribution of supplies and services, he and his representatives shall consult and collaborate with the appropriate authorities of the United Nations and shall, wherever practicable, use the facilities made available by such authorities. Foreign voluntary relief agencies may not engage in activity in any area receiving relief from the Administration without the consent and unless subject to the regulation of the Director General. The powers and duties of the Director General are subject to the limitation of article VII.

"3. The Director General shall also be responsible for the organization and direction of the functions contemplated by article I, paragraphs 2 (b) and 2 (c).

"4. The Director General shall appoint such Deputy Directors General, officers, expert personnel, and staff at his headquarters and elsewhere, including field missions, as he shall find necessary, and he may delegate to them such of his powers as he may deem appropriate. The Director General, or upon his authorization the Deputy Directors General, shall supply such secretariat and other staff and facilities as he shall be required by the Council and its committees, including the regional committees and subcommittees. Such Deputy Directors General as shall be assigned special functions within a region shall attend meetings of the regional standing committee whenever possible and shall keep it advised on the progress of the relief and rehabilitation program within the region.

"5. The Director General shall make periodic reports to the Central Committee and to the Council covering the progress of the administration's activities. The reports shall be made public except for such portions as the Central Committee may consider it necessary, in the interest of the United Nations, to keep confidential; if a report affects the interests of a member government in such

a way as to render it questionable whether it should be published, such government shall have an opportunity of expressing its views on the question of publication. The Director General shall also arrange to have prepared periodic reports covering the activities of the administration within each region and he shall transmit such reports with his comments thereon to the Council, the Central Committee, and the respective regional committees.

"ARTICLE V

"Supplies and resources

"1. Insofar as its appropriate constitutional bodies shall authorize, each member government will contribute to the support of the administration in order to accomplish the purposes of article I, paragraph 2 (a). The amount and character of the contributions of each member government under this provision will be determined from time to time by its appropriate constitutional bodies. All such contributions received by the administration shall be accounted for.

"2. The supplies and resources made available by the member governments shall be kept in review in relation to prospective requirements by the Director General, who shall initiate action with the member governments with a view to assuring such additional supplies and resources as may be required.

"3. All purchases by any of the member governments, to be made outside their own territories during the war for relief or rehabilitation purposes, shall be made only after consultation with the Director General, and shall, so far as practicable, be carried out through the appropriate United Nations agency.

"ARTICLE VI

"Administrative expenses

"The Director General shall submit to the Council an annual budget, and from time to time such supplementary budgets as may be required, covering the necessary administrative expenses of the Administration. Upon approval of a budget by the Council the total amount approved shall be allocated to the member governments in proportions to be determined by the Council. Each member government undertakes, subject to the requirements of its constitutional procedure, to contribute to the Administration promptly its share of the administrative expenses so determined.

"ARTICLE VII

"Notwithstanding any other provision herein contained, while hostilities or other military necessities exist in any area, the Administration and its Director General shall not undertake activities therein without the consent of the military command of that area, and unless subject to such control as the command may find necessary. The determination that such hostilities or military necessities exist in any area shall be made by its military commander.

"ARTICLE VIII

"Amendment

"The provisions of this agreement may be amended as follows:

"a. Amendments involving new obligations for member governments shall require the approval of the Council by a two-thirds vote and shall take effect for each member government on acceptance by it;

"b. Amendments involving modification of article III or article IV shall take effect on adoption by the Council by a two-thirds vote, including the votes of all the members of the Central Committee;

"c. Other amendments shall take effect on adoption by the Council by a two-thirds vote.

"ARTICLE IX

"Entry into force

"This agreement shall enter into force with respect to each signatory on the date

when the agreement is signed by that signatory, unless otherwise specified by such signatory.

"ARTICLE X

"Withdrawal

"Any member government may give notice of withdrawal from the Administration at any time after the expiration of 6 months from the entry into force of the agreement for that government. Such notice shall take effect 12 months after the date of its communication to the Director General subject to the member government having met by that time all financial, supply, or other material obligations accepted or undertaken by it."

Sec. 2. Amounts appropriated under this resolution shall be expended under the direction of the President pursuant to section 1 hereof. The President shall submit to the Congress quarterly reports of expenditures made under any such appropriations and of operations under the agreement.

Sec. 3. In the adoption of this joint resolution the Congress expresses its approval of and reliance upon the policy adopted by the United Nations Relief and Rehabilitation Administration at the first session of the Council, summarized in paragraph 11 of Resolution No. 12, and reading as follows:

"11. The task of rehabilitation must not be considered as the beginning of reconstruction—it is coterminous with relief. No new construction or reconstruction work is contemplated, but only rehabilitation as defined in the preamble of the agreement. Problems such as unemployment are important, but not determining factors. They are consequences and, at the same time, motives of action. The Administration cannot be called upon to help restore continuous employment in the world."

Sec. 4. In expressing its approval of this joint resolution, it is the recommendation of Congress that insofar as funds and facilities permit, any area (except within enemy territory and while occupied by the enemy) important to the military operations of the United Nations which is stricken by famine or disease may be included in the benefits to be made available through the United Nations Relief and Rehabilitation Administration.

Sec. 5. No amendment under article VIII (a) of the agreement involving any new obligation for the United States shall be binding upon the United States without approval by joint resolution of Congress.

Sec. 6. In adopting this joint resolution the Congress does so with the following reservation:

That in the case of the United States the appropriate constitutional body to determine the amount and character and time of the contributions of the United States is the Congress of the United States.

Sec. 7. In adopting this joint resolution the Congress does so with the following reservation:

That it is understood that the provision in paragraph 11 of Resolution No. 12 adopted at the first session of the Council, referred to in section 3 of this joint resolution, and reading, "The task of rehabilitation must not be considered as the beginning of reconstruction—it is coterminous with relief," contemplates that rehabilitation means and is confined only to such activities as are necessary to relief.

Sec. 8. In adopting this joint resolution the Congress does so with the following reservation:

That the United Nations Relief and Rehabilitation Administration shall not be authorized to enter into contracts or undertake or incur obligations beyond the limits of appropriations made under this authorization and by other countries and receipts from other sources.

Sec. 9. The authorization contained in this joint resolution shall expire on June 30, 1946.

Public Law 267, Seventy-eighth Congress, approved March 28, 1944.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on February 7, 1946, he presented to the President of the United States the following enrolled bills:

S. 480. An act to authorize the sale of the allotment of Henry Keiser on the Crow Indian Reservation, Mont.;

S. 815. An act for the relief of Ogden & Dougherty, and for other purposes;

S. 831. An act for the relief of James Alves Saucier;

S. 845. An act for the relief of Mabel Fowler;

S. 905. An act for the relief of Harold E. Bullock;

S. 991. An act for the relief of Mr. and Mrs. Marion M. Hill;

S. 1077. An act for the relief of Oscar S. Reed;

S. 1081. An act for the relief of Aftab Ali;

S. 1142. An act for the relief of Florence Barrows;

S. 1158. An act for the relief of Winter Bros. Co.;

S. 1231. An act for the relief of Paul E. Tacy;

S. 1294. An act for the relief of Mr. and Mrs. Allan F. Walker;

S. 1296. An act for the relief of John A. Hatcher;

S. 1323. An act for the relief of the estate of William Carl Jones;

S. 1338. An act for the relief of the legal guardian of Wayne Edward Wilson, a minor;

S. 1360. An act to compensate Benali El Oukili Boucheta, an inhabitant of French Morocco, for the wrongful death of his son Mohamed Ben Boucheta Ben Ali El Oukili, near Marina, Algeria, on September 30, 1944;

S. 1361. An act to compensate Clement Euziere, an inhabitant of French Morocco, for personal injuries caused by a naval vehicle near Oran, Algeria, on September 21, 1943;

S. 1448. An act for the relief of William Wilson Wurster; and

S. 1590. An act to authorize the President to appoint Graves Blanchard Erskine, major general, United States Marine Corps, to the office of Retraining and Reemployment Administrator, without affecting his service status and perquisites.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

CERTAIN FUNCTIONS AND ACTIVITIES OF THE NATIONAL PARK SERVICE

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to provide basic authority for the performance of certain functions and activities of the National Park Service (with an accompanying paper); to the Committee on Public Lands and Surveys.

AVAILABILITY OF CERTAIN ADMINISTRATION EXPENSES OF APPROPRIATIONS FOR INTERIOR DEPARTMENT

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to authorize the availability for certain necessary administrative expenses of appropriations for the Department of the Interior (with an accompanying paper); to the Committee on Territories and Insular Affairs.

CERTAIN FUNCTIONS AND ACTIVITIES OF THE BUREAU OF MINES

A letter from the Secretary of the Interior transmitting a draft of proposed legislation to provide basic authority for the performance of certain functions and activities of

the Bureau of Mines (with an accompanying paper); to the Committee on Mines and Mining.

PROTECTION OF FORESTS AGAINST DESTRUCTIVE INSECTS AND DISEASES

A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to provide for the protection of forests against destructive insects and diseases, and for other purposes (with an accompanying paper); to the Committee on Agriculture and Forestry.

DANVERS SHOE CO., INC., v. THE UNITED STATES

A letter from the Comptroller General of the United States, transmitting, pursuant to law, his report and recommendations concerning the claim of the *Danvers Shoe Co., Inc. v. the United States* (with an accompanying report); to the Committee on Claims.

REPORT OF DIRECTOR OF ADMINISTRATIVE OFFICE IN UNITED STATES COURTS

A letter from the Director of the Administrative Office in the United States Courts, transmitting, pursuant to law, his annual report for that office for the fiscal year 1945 (with an accompanying report); to the Committee on the Judiciary.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The PRESIDENT pro tempore appointed Mr. BARKLEY and Mr. BREWSTER members of the committee on the part of the Senate.

PETITION

The PRESIDENT pro tempore laid before the Senate a letter in the nature of a petition from the Veterans' Cooperative Housing Association, Washington, D. C., signed by William A. Roberts, counsel, praying for the enactment of the joint resolution (S. J. Res. 132) clarifying the Surplus Property Act in regard to sale of defense housing for veterans, which with an accompanying paper, was referred to the Committee on Military Affairs.

THE WHEAT AND BREAD PROBLEM

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a very interesting statement in the form of a telegram from Mr. M. W. Thatcher, president of the National Federation of Grain Cooperatives, with respect to the problem of the wheat market at the present time.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

ST. PAUL, MINN., February 4, 1946.

The Honorable JOHN W. FLANNAGAN, Jr.,
Chairman, Committee on Agriculture,
United States House of Representatives,
Washington, D. C.

The Honorable ELMER THOMAS,
Chairman, Committee on Agriculture
and Forestry, United States Senate,
Washington, D. C.:

There is a wheat problem, but not one that calls for bread rationing or for use of more wheat in flour, which admittedly would be a coarser and darker flour. Based on the United States Department of Agriculture's

figures of January 1, 1946, we had 689,000,000 bushels of wheat on hand. A new wheat crop will pour into market after July 1. Present indications are for at least 700,000,000 bushels of winter wheat. There will be a heavy spring wheat acreage.

Allowing for a January disappearance of 89,000,000 bushels, we will need up to July 1st no more than 200,000,000 bushels for flour and 50,000,000 bushels for spring wheat seedling and miscellaneous farm use. This would leave 350,000,000 bushels of present stocks for export, carry-over, and livestock feeding. It would be better to stop feeding wheat than to ask flour mills and bakeries and consumers to adapt themselves to a new product, with all the changes necessary to make a straight run of flour, using 85 percent of the wheat, instead of the normal 72 percent. The public and the processors would resist these far-reaching changes.

Farmers will move the wheat to town and sell it if they are given parity treatment. Farmers know that Congress is in doubt about extending the OPA price control law. That makes farmers doubt that it is wise to sell wheat under present ceilings. Farmers know that on July 1 there will be a big increase in wheat prices, if Congress does not extend the OPA law for another year.

Farmers have the same intelligence as business people, who have been and are withholding merchandise for the much higher prices which they hope will be realized either through dropping of OPA or through making exceptions, as for example in the steel industry. Farmers also know that with wage levels in the process of rising, eventually such increases will be reflected in a new and higher parity price, which under law will force the OPA to lift present ceilings on all farm prices.

From the standpoint of price, the farmer sees about every advantage in not marketing wheat now. He is not going to succumb alone to any patriotic call when he sees the United States Steel Corp. and General Motors Corp. and others getting away with theirs.

The farmer feels that all he has to do is wait.

Another point: the farmer is accustomed to carrying an inventory of wheat on his farm. It is his ever-normal granary and his base money supply. Not for patriotism alone does he intend to market this year both his present inventory and also his new wheat crop. He would then be compelled to pay a 2-year or double income tax.

In brief, he is not a fool. He intends to be treated as well as other groups in the economy of the Nation, even if he is the most patriotic. He as much as any other person wants to see wheat shipped to the starving people in other parts of the world.

But the National Federation of Grain Cooperatives cannot honestly urge its wheat-producing members to market their wheat so long as the wheat farmer is at a disadvantage as regards ceilings and double taxation.

If the farmer knew now what wheat ceiling prices would be until July 1, 1947, and if he could be relieved of double taxation from marketing two crops in the same year, and if he could be assured that he would not be subject to a third tax by the repeal of laws protecting his marketing cooperatives—as advocated by the National Tax Equality Association—then we would be on sound ground to ring the bell of patriotism and save the starving families abroad.

Further, if all these economic disadvantages were corrected, there is still a transportation break-down, not only from lack of boxcars, but from disorganization on the railroads. Now the movement of cars just from the Dakotas to Minnesota frequently takes weeks.

We want to emphasize that you can get wheat from export, without upsetting the operations of flour mills and bakeries or

changing the food habits of consumers, if you act now on these three problems:

First. Give us boxcars and transportation facilities that will work and move the wheat.

Second. Decide now, one way or the other, on the future of OPA and price ceilings for 1946-47.

Third. Protect the farmer against double and triple taxation.

If and when these three needs are met, the National Federation of Grain Cooperatives and the general farm organizations will advise farmers to move their wheat off the farms.

People all over the Nation are now questioning the political integrity and economic sense of both the Congress and the administration. This problem of wheat is not in the hands of the millers or the bakers or the farmers. It is in the hands of the Congress and the administration.

We have called a meeting of our grain cooperatives in Chicago on February 8 and 9, and have called officials from the United States Department of Agriculture to confer with us. We also are inviting through this wire the chairmen of the House and Senate Committees on Agriculture to be with us in Chicago.

Our National Federation of Grain Cooperatives is comprised of the regional grain cooperatives from Ohio to the Pacific Northwest, and from the Canadian border to the Gulf of Mexico. Its annual handle of grain is close to 400,000,000 bushels a year. Most of the farmers who own these cooperatives also are members of the Farm Bureau, the Farmers Union, or the Grange. Thus you can rest assured that you can have the solid mobilized support of agriculture to move the wheat that is needed if the Congress and the administration will just move first.

Respectfully submitted.

M. W. THATCHER,
President, National Federation
of Grain Cooperatives.

Mr. LANGER. Mr. President, I was about to ask unanimous consent to have printed in the RECORD a telegram received from Mr. M. W. Thatcher, president of the National Federation of Grain Cooperatives, dealing with the proposition of our having black bread, and having to do with the wheat situation in general. Inasmuch, however, as the Senator from Kansas has presented and had printed in the RECORD the identical telegram, I shall not ask that it be duplicated in the RECORD, but I do ask unanimous consent to have printed a telegram from Mr. R. M. Stangler, general manager of the North Dakota Mill and Elevator, dealing with the question covered in the telegram from Mr. Thatcher.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

GRAND FORKS, N. DAK.,
February 4, 1946.

HON. WILLIAM LANGER,
United States Senator,
Washington, D. C.:

Have information through Northwestern Miller that there is a possibility an order will be issued by Secretary of Agriculture in effect ordering mills to make dark flour for public consumption figured on percentage basis to the effect that 51 pounds flour would be ground out of 60 pounds wheat, which naturally necessitates grinding millfeed into the flour. This is one way to reduce the use of bread when normally speaking there generally is far more wheat in the country than can properly be used. It certainly would be a blow to the grain farmers of this country. From the information I can gather I am told

that we have exported too much wheat and flour to the extent some countries have far more than they can properly use. I might refer to England, who, I understand, has over 6 months' supply of wheat and flour on hand at this time. Asking the mills to grind black or dark flour putting in millfeed naturally reduces the feed supply when there is a shortage of feed as it is. Surely such an order should not be issued before the mills, through a committee, could be heard. It does not seem reasonable we should get to the point of rationing bread and then tell the people they must eat black bread. That in itself will have a tendency to reduce the consumption of bread that will take years to rebuild. It is a detriment to the wheat grower. Speaking for myself I think it is the most ridiculous thing I have heard for a long time. I think the details on the exporting of wheat should be investigated. This same wire going to each of our Congressmen and Senators.

R. M. STANGLER,
General Manager, North Dakota
Mill and Elevator.

Mr. WHEELER. Mr. President, I, too, have received a telegram from Mr. Thatcher, president of the National Federation of Grain Cooperatives, which seems to be identical with the one inserted in the RECORD by the Senator from Kansas [Mr. CAPPER]. I shall not ask, therefore, that it be again printed, but I desire to read a portion of the telegram:

There is a wheat problem, but not one that calls for bread rationing or for use of whole wheat in flour, which admittedly would be a coarser and darker flour. Based on the United States Department of Agriculture's figures of January 1, 1946, we had 689,000,000 bushels of wheat on hand. A new wheat crop will pour into market after July 1. Present indications are for at least 700,000,000 bushels of winter wheat.

REPORT ON DISPOSITION OF EXECUTIVE PAPERS

Mr. BARKLEY, from the Joint Select Committee on the Disposition of Executive Papers, to which was referred for examination and recommendation a list of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted a report thereon pursuant to law.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WALSH:

S. 1811. A bill to amend Public Law 277, Seventy-ninth Congress, so as to provide the Coast Guard, at such time as it is transferred back to the Treasury Department, with a system of laws for the settlement of claims, and for other purposes; to the Committee on Claims.

S. 1812. A bill to provide reimbursement for personal property lost, damaged, or destroyed as the result of explosions at the Naval Ammunition Depot, Hastings, Nebr., on April 6, 1944, and September 15, 1944; to the Committee on Naval Affairs.

By Mr. LUCAS:

S. 1813. A bill to provide authorization for the village of Cahokia, Ill., to construct, maintain, and operate a toll bridge across the Mississippi River at or near Cahokia, Ill., and for other purposes; to the Committee on Commerce.

By Mr. McCARRAN:

S. 1814. A bill to amend the Civil Aeronautics Act of 1938, as amended; to the Committee on Commerce.

(Mr. McFARLAND (for himself, Mr. MURRAY, Mr. HAYDEN, Mr. JOHNSON of Colorado, Mr. THOMAS of Utah, Mr. MURDOCK, Mr. TAYLOR, Mr. HATCH, and Mr. CHAVEZ) introduced Senate bill 1815, to permit the continuation of certain premium payments with respect to copper, lead and zinc, which was referred to the Committee on Banking and Currency, and appears under a separate heading.)

(Mr. MAYBANK (for himself, Mr. O'MAHONEY, Mr. MURRAY, Mr. REVERCOMBE, and Mr. WILSON) introduced Senate joint resolution 140, to extend in the case of the Government-owned pipe lines known as Big Inch and Little Big Inch the time during which disposition of such pipe lines is prohibited under the Surplus Property Act of 1944, as amended, which was passed, and appears under a separate heading.)

CONTINUATION OF CERTAIN PREMIUM PAYMENTS ON COPPER, LEAD, AND ZINC

Mr. McFARLAND. Mr. President, on behalf of the Senator from Montana [Mr. MURRAY]; my colleague, the senior Senator from Arizona [Mr. HAYDEN]; the Senator from Colorado [Mr. JOHNSON]; the senior Senator from Utah [Mr. THOMAS]; the junior Senator from Utah [Mr. MURDOCK]; the Senator from Idaho [Mr. TAYLOR]; the senior Senator from New Mexico [Mr. HATCH]; the junior Senator from New Mexico [Mr. CHAVEZ]; and myself, I ask unanimous consent to introduce for appropriate reference a bill to permit the continuation of certain premium payments with respect to copper, lead, and zinc.

There being no objection, the bill (S. 1815) to permit the continuation of certain premium payments with respect to copper, lead, and zinc, was received, read twice by its title, and referred to the Committee on Banking and Currency.

Mr. McFARLAND. Mr. President, in connection with the bill just introduced I wish to make it plain that I have at all times insisted that a fair and proper price should have been placed upon copper, lead, and zinc. I believe that should be done now. But if the present prices are to be maintained, then it is absolutely necessary that the premiums upon these metals be continued, if we are to have an adequate supply of them for reconversion and are to continue to provide jobs for returning veterans.

I do not want to take the time of the Senator at this hour to make a speech upon this subject, so I ask unanimous consent to have printed in the Record a statement in support of the bill.

There being no objection, the statement was ordered to be printed in the Record, as follows:

1. The metals situation for reconversion purposes is still very tight, especially as regards copper and lead.

(a) This is shown by the fact that we have just contracted for 120,000 tons of South American copper during the next 6 months.

(b) England has tied up Rhodesian and Canadian copper. When reconversion in Europe gets into full swing there may be

strong competition for South American copper that would raise the world price to the point where we either would have to raise ceilings or subsidize imports.

(c) It is estimated that there will be a minimum shortage of 150,000 tons of lead in the world picture.

(d) England has just raised her lead price one-half cent above our OPA ceilings to funnel foreign lead to the British Isles instead of the United States, making it imperative that we either raise the lead ceiling or subsidize imports. OPA so far has refused to raise the ceiling.

2. It is clear that we need every pound of copper, zinc, and lead that can be produced in the United States.

3. The premium-price plan is an important factor in carrying out a conservation program of mining out marginal ores developed during the war which might be lost if mines had to be abandoned due to lack of market for high-cost ores.

4. The premium-price plan stands on its own feet regardless of whether or not present ceilings are retained, raised, or removed.

(a) If ceilings are retained without premiums, the largest part of the tri-State lead-zinc properties and many of those located elsewhere will shut down, as well as practically all of the copper mines, except for a few of the largest.

(b) If ceilings were raised somewhat, say, copper to 14 cents a pound (which most people think would be the figure on a free market); lead, 9 cents a pound; and zinc, 10 cents a pound, the premium price plan still would be necessary to keep hundreds of marginal mines operating. However, payments under the plan would be reduced to perhaps 40 percent of the present amount. In effect, the part of the cost would be passed along to the public and part carried by the Government.

(c) If all ceilings were removed and prices sought their own level, continued operation of the premium price plan would cost the Government very little should fairly high prices prevail (and current shortages indicate that good prices would prevail) but still would permit marginal mines to get out what ore they have developed, and, in fact, develop more, which would be a conservation measure as we are going to have to utilize lower-grade ores.

5. Certainly we can now use all the copper, lead, and zinc we can produce. Every pound we get here is that much we will not have to import.

6. Government statements by Bureau of Mines officials relating to potential exhaustion of certain minerals are based only on known commercial reserves. Not only can present ore bodies be additionally developed but the use of ore at present noncommercial will greatly expand the potential of our mineral production, just as new discoveries will extend these horizons indefinitely. Ore reserves are increased by active operations, development, and discovery, and true conservation is not accomplished by abandoning active mining. Premiums have resulted in opening literally thousands of small and marginal operations (and some large ones, such as Castle Dome) which could not have been operated without the premium price plan, and many of which may have to discontinue without it.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, as indicated:

H.R. 4908. An act to provide additional facilities for the mediation of labor disputes, and for other purposes; to the Committee on Education and Labor.

H.R. 5400. An act making appropriations for the fiscal year ending June 30, 1947, for civil functions administered by the War Department, and for other purposes; to the Committee on Appropriations.

FAIR EMPLOYMENT PRACTICE ACT—AMENDMENTS

Mr. McCLELLAN. Mr. President, I ask unanimous consent to submit 11 amendments intended to be proposed by me to the bill (S. 101) to prohibit discrimination in employment because of race, creed, color, national origin, or ancestry, and request that they may be printed and lie on the table. I also ask unanimous consent that they may be considered as read under the rule and that they be printed in the Record.

There being no objection, the amendments submitted by Mr. McCLELLAN were received, read, ordered to lie on the table, to be printed, and printed in the Record, as follows:

On page 1, line 7, after the word "ancestry", insert a comma and the following: "or by reason of their affiliation with or membership in or lack of affiliation with or membership in a labor union."

On page 2, line 9, after the word "ancestry", insert "or because of affiliation with or membership in or lack of affiliation with or membership in a labor union."

On page 2, line 17, after the word "ancestry", insert "or because of such person's affiliation with or membership in or lack of affiliation with or membership in any labor union."

On page 2, line 20, after the word "ancestry", insert "or because of such person's affiliation with or membership in or lack of affiliation with or membership in any labor union."

On page 2, line 24, after the word "ancestry", insert "or because of such person's affiliation with or membership in or lack of affiliation with or membership in any labor union."

On page 3, line 5, after the word "ancestry", insert "or to confine or limit such recruitment or hiring to persons who are affiliated with or members of any labor union."

On page 3, line 10, after the word "ancestry", insert "or to interfere with, limit, or restrict the employment of any person by any employer because such person is affiliated with or is a member of or is not affiliated with or not a member of any labor union."

On page 3, line 13, after the word "ancestry", insert "or to expel any person from membership for the purpose of preventing or interfering with his employment by any employer because such person is not affiliated with or not a member of any labor union."

On page 3, line 16, after the word "ancestry", insert "or to discriminate against any employee because of his affiliation with or membership in or lack of affiliation with or membership in any labor union."

On page 3, line 22, after the word "act", insert "or because he is affiliated with or a member of or is not affiliated with or not a member of any labor union."

On page 12, line 20, after the word "ancestry", insert "or because of affiliation with or membership in or lack of affiliation with or membership in any labor union."

PRINTING OF COPIES OF CERTAIN HEARINGS OF JOINT COMMITTEE ON ORGANIZATION OF CONGRESS

Mr. LA FOLLETTE submitted the following concurrent resolution (S. Con.

Res. 52), which was referred to the Committee on Printing:

Resolved by the Senate (the House of Representatives concurring), That in accordance with paragraph 3 of section 2 of the Printing Act, approved March 1, 1907, the Joint Committee on the Organization of Congress be, and is hereby, authorized and empowered to have printed for its use 3,000 additional copies of the summary of hearings, index to hearings, and parts 1, 2, 3, 4, and 5 of the hearings held before the said joint committee during the first session, Seventy-ninth Congress, relative to the organization of Congress.

LOCATION OF PERMANENT HEADQUARTERS OF UNITED NATIONS ORGANIZATION

Mr. LANGER. Mr. President, I ask unanimous consent to submit for appropriate reference a concurrent resolution, which reads as follows:

Whereas numerous objections have been made to the location of the permanent headquarters of the United Nations Organization in the Stamford-Greenwich area presently under consideration by such Organization; and

Whereas among the grounds for objection to such site is the excessive cost to the Organization of acquiring the necessary land in such area; and

Whereas publicly owned land which could be utilized at no cost to the Organization is available within the International Peace Garden situated between the State of North Dakota and the Province of Manitoba: Therefore be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that a site within the International Peace Garden situated between the State of North Dakota and the Province of Manitoba be designated as the permanent headquarters of the United Nations Organization; and be it further

Resolved, That a copy of this resolution be sent to the appropriate authorities of the United Nations Organization for their consideration.

The PRESIDENT pro tempore. Without objection, the concurrent resolution submitted by the Senator from North Dakota, will be received and appropriately referred.

The concurrent resolution (S. Con. Res. 53), submitted by Mr. LANGER, was referred to the Committee on Foreign Relations.

ALLEGED REAL ESTATE SPECULATION NEAR PROPOSED SITE OF UNITED NATIONS ORGANIZATION HEADQUARTERS

Mr. LANGER. Mr. President, I ask unanimous consent to submit for appropriate reference a resolution which reads as follows:

Resolved, That a special committee composed of five Senators to be appointed by the President pro tempore of the Senate is authorized and directed to make a full and complete investigation with respect to alleged speculation in real estate situated at or near the proposed permanent site of the United Nations Organization with a view to ascertaining (1) whether options on such property were obtained prior to selection of such site, (2) the identity of the person or persons engaged in such activities, and particularly, whether or not such persons are citizens of the United States, (3) whether such person or persons are acting as agents for a foreign or international syndicate, (4) whether any such persons have acted in violation of the laws of the United States, or whether additional legislation is necessary with respect to such activities. The commit-

tee shall report to the Senate at the earliest practicable date the results of its investigation together with such recommendations as it may deem desirable.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Senate in the Seventy-ninth Congress, to employ such experts, and such clerical, stenographic, and other assistants, to require by subpoena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed \$, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

The PRESIDENT pro tempore. Without objection, the resolution submitted by the Senator from North Dakota will be received and appropriately referred.

The resolution (S. Res. 227), submitted by Mr. LANGER, was referred to the Committee on Foreign Relations.

INVESTIGATION OF CAUSES OF PENDING AND THREATENED LABOR DISPUTES

Mr. KILGORE (for himself, Mr. TUNNELL, Mr. MORSE, Mr. MEAD, and Mr. LA FOLLETTE) submitted the following resolution (S. Res. 228), which was referred to the Committee on Education and Labor:

Whereas the Nation is now faced with widespread labor-management disputes and the prospect of further dispute which vitally affect all aspects of the economy and the vital interests of the general public; and

Whereas it is essential for any continued peaceful and free labor-management relations to examine the basic causes of labor-management disputes and the basic economic and other factors, including governmental policies and decisions, affecting free collective bargaining; Therefore be it

Resolved, That the Committee on Education and Labor is authorized and directed to make an investigation into the causes of current and threatened labor disputes, the economic and other factors and governmental policies affecting such disputes. The committee shall report to the Senate as soon as practicable the results of its investigation.

For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings; to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-ninth Congress; to employ and to call upon the executive departments for clerical and other assistants; to require by subpoena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents; to administer such oaths; to take such testimony; and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed \$25,000, shall be paid from the contingent fund of the Senate, upon vouchers approved by the chairman.

RELIEF WHEAT COMMITMENT FOR EUROPE—ARTICLE BY CHRISTINE SADLER

Mr. WHERRY. Mr. President, I call attention to an article in the Washing-

ton Post, written by Christine Sadler, entitled "Relief Wheat Commitment for Europe Actually Cut." The subhead is "Food authorities consider return to meat rationing as unnecessary." The article gives a rather detailed report relative to the grain situation, and also the furnishing of food by different agencies, including UNRRA. It further discusses and gives opinions of Senators and others high in authority relative to the food situation in Europe.

I ask that the article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RELIEF WHEAT COMMITMENT FOR EUROPE ACTUALLY CUT—FOOD AUTHORITIES CONSIDER RETURN TO MEAT RATIONING AS UNNECESSARY

(By Christine Sadler)

President Truman revealed at his news conference yesterday that this country has lowered its relief wheat commitments abroad for the first 6 months of this year.

This apparently contradicts the belief of Americans that they would increase relief shipments abroad by going on a dark-bread diet and cutting down on their liquor.

Food officials admitted that the amount of wheat saved by these two actions would not be considerable—nor do much to bring the Nation's livestock and feed situation into balance.

WILL DRAMATIZE SITUATION

They agreed, however, that it would dramatize the situation and possibly result in greater marketing of grains and live animals.

The President said the new goal of wheat shipments was 200,000,000 bushels by mid-1946. The goal formerly had been 225,000,000 bushels.

Meantime, food officials discounted any idea that a return to meat rationing would be necessary for this country to meet its current foreign relief goals.

The goals as they now stand, it was pointed out, are the same as announced several months ago for all foods except wheat.

NOT VIEWED AS CRUX

Feed officials admitted the wheat shortage around the world and pointed out that bread is the basis of the relief diet, but some of them frankly could not see that relief feeding was the crux of the current tightrope position in which this country finds itself in regard to livestock and feed.

UNRRA wheat commitments have lagged, but not because the wheat has all disappeared. Transportation difficulties inside this country are the No. 1 reason wheat men give for the failure to get relief wheat to UNRRA boats. Other reasons include:

Pricing: Belief that wheat prices would go higher has delayed marketing. Also grains fed to animals bring more money than grain marketed straight.

MILLER IS HEARD FROM

One St. Paul miller wired Senator KENNETH WHERRY, Republican, of Nebraska, this week: "Farmers are not going to sell their grain as long as the price picture is not clear. They have as much sense as industrialists."

The Government, during war years, was in a better position to change prices quickly than it is now. In other years it has changed the subsidy or price supports. Price supports now are promised for 1946—to encourage farmers to up their pig crops and to get cattle back into feed lots so the Nation could have better beef.

There's not much need asking farmers to get their cattle to market in a hurry or market their pigs at lighter weights as long as the price incentive is geared the other way. Secretary Anderson has repeatedly urged a

culling of poultry flocks and heavier animal marketing, but to not much avail.

The present approach, through dark bread and less liquor, supplies a dramatic and emotional appeal to which it is hoped the farmers will respond.

Senator WHERRY yesterday termed corn the key to the wheat situation. "There's a terrific black market in corn," he said. "Farmers are not sending it to market, but they are selling it and it is being trucked away."

Considerable amounts of wheat have been going into feeds as a result of the rapid disappearance of other grains and also the lag in marketing of other grains. Similar situations prevailed several times during the war.

Last year's wheat crop was a record one of well over a billion bushels. The winter wheat crop to date is said to look good. Goals this year are higher than ever.

On the other hand, large relief shipments have not been possible until this year and the domestic drain on wheat is heavy. The expected carry-over of 200,000,000 bushels will not materialize, officials believe, and may drop to perhaps 150,000,000 bushels. Unless there should be a failure of this year's crops, some officials believe, this carry-over has an adequate margin of safety.

As one official put it last night: "I am not arguing that we are going to have a wheat surplus, nor that there may not be strains on our supply—but I am arguing that we have done nothing yet to bring the situation into balance. And it is evident we are not even meeting our relief commitments, let alone raise them."

Meantime, Paul Willis, president of the Grocery Manufacturers of America, declared: "We feel that we are entitled to more advance information before such drastic steps as this are taken in the future. . . . No one in Washington has yet completed the elemental job of pulling together in one place all the pieces of the European food problem, let alone prescribing an over-all attack on it commensurate with the crisis involved."

Senator JOHN H. BANKHEAD, Democrat, of Alabama, said he was in favor of doing everything "we can to help prevent starvation." But, he added that he wanted "some more information."

Legislation to halt exports of grain and flour temporarily was introduced in the House by Representative EDWIN A. HALL, Republican, New York.

Director General Herbert H. Lehman of the United Nations Relief and Rehabilitation Administration meanwhile appealed to the United Nations Assembly for help in relieving critical storages of grain, rice, and fats in war-devastated countries.

In a cablegram to Trygve Lie, United Nations secretary general, Lehman urged the Assembly now meeting in London to take "such action as may seem fit" to get countries to increase such exports.

He said he was making this appeal "in view of the impending disaster facing the nations liberated from the enemy."

He transmitted recommendations by the UNRRA's councils committee on supplies which asked member governments to "reconsider most urgently" their decision in removing wheat and flour from international allocation.

In documenting his assertion of inadequate supplies for the relief agency, Lehman said:

"1. Only 299,000 tons of the 3,200,000 tons of wheat needed for the first half of 1946 has been allocated to UNRRA.

"2. Only 47,800 of the 720,900 metric tons of rice requested for 1946 had been granted by the combined food boards. This represented only 26.6 percent of China's needs alone.

"3. Only 185,000 long tons, or 24.2 percent of the Administration's requirement of

765,900 long tons of fats and oils have been allocated to it.

MRS. ROOSEVELT'S PROPOSED VISIT TO GERMANY

Mr. WHERRY. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a news article entitled "Mrs. Roosevelt Will Find Time to Visit Germany." She, in company with the senior Senator from Texas [Mr. CONNALLY] and Frank Walker, is going to Germany, not only to visit German cities and our own soldiers in the occupied zones but also to investigate conditions there.

I ask that the article be printed at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MRS. ROOSEVELT WILL "FIND TIME" TO VISIT GERMANY

LONDON, February 7.—Mrs. Eleanor Roosevelt hopes to leave London for Germany on Monday, if the United Nations General Assembly, to which she is a delegate, has concluded its first session by then.

She said: "No matter when the Conference ends, I am definitely going to find time to visit our soldiers in Germany. I wish all the United States delegates could come and so realize conditions on the European Continent."

"In my opinion, it is most important that our Senators and Congressmen should see the true state of life today in Europe. I am very happy that Senator CONNALLY and his wife are going with me on an Army tour of Germany, and I hope that Frank Walker will be able to come, too."

THE MORGENTHAU PLAN FOR TREATMENT OF GERMANY

Mr. WHERRY. Mr. President, I ask unanimous consent to have printed in the RECORD an article by the Associated Press entitled "Morgenthau Plan Blamed by Landon." The article is self-explanatory.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MORGENTHAU PLAN BLAMED BY LANDON

TOPEKA, February 7.—President Truman's order to Americans for informal rationing of food is a direct result of the "cruel and inhuman Morgenthau plan for treatment of Germany," Alf M. Landon, 1936 Republican Presidential candidate, said today.

In New York, Morgenthau said: "I recommend that Mr. Landon buy a copy of my book and read it. He obviously doesn't know what he is talking about. I think his statement is vicious."

FEEDING OF PEOPLE OF HUNGARY

Mr. WHERRY. Mr. President, I ask unanimous consent to have printed at this point in the RECORD an article appearing under a Budapest date line entitled "Hungary's Premier Appeals for Help in Feeding People." The article is self-explanatory.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HUNGARY'S PREMIER APPEALS FOR HELP IN FEEDING PEOPLE

BUDAPEST, February 7.—Ferenc Nagy, new Premier of Hungary, in his first address before the national assembly today pleaded for foreign aid to feed his people and asked the

return from Germany of Hungarian assets valued at \$3,000,000,000.

Nagy said Hungary would be unable to feed its population without the help of other nations.

"Hungary always gave food to others," he said, "and this is the first time she begs for bread to maintain her people's life."

UNITED NATIONS' EDUCATIONAL, SCIENTIFIC, AND CULTURAL CONFERENCE—ADDRESS BY SENATOR MURRAY

[Mr. MURRAY asked and obtained leave to have printed in the RECORD a radio address relative to the United Nations' Educational, Scientific, and Cultural Conference held in London, November 1-16, 1945, delivered by him on the program Congressional Record On the Air from New York City, December 3, 1945, which appears in the Appendix.]

LET'S GET OUR BEARINGS—ADDRESS BY SENATOR HAWKES

[Mr. BYRD asked and obtained leave to have printed in the RECORD an address entitled "Let's Get Our Bearings," delivered by Mr. Hawkes at the Brand Names Research Foundation, New York area testimonial dinner at Hotel Astor, New York, February 5, 1946, which appears in the Appendix.]

SEA POWER AND ITS MEANING—ADDRESS BY ADMIRAL NIMITZ

[Mr. WALSH asked and obtained leave to have printed in the RECORD an address on the subject of sea power and its meaning, delivered by Fleet Admiral Chester W. Nimitz, USN, before the National Geographic Society in Washington on January 25, 1946, which appears in the Appendix.]

CITATION AWARDED B'NAI B'RITH

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD the remarks of Gen. Dwight D. Eisenhower on the occasion of the presentation of a citation awarded by the War Department to B'nai B'rith for their contribution to the morale and welfare of Army personnel; the reply of Mr. Henry Monsky, of Omaha, Nebr., national president of B'nai B'rith; and a statement entitled "B'nai B'rith serves the Army," which appear in the Appendix.]

THE PEOPLE'S HEALTH; A NATIONAL ASSET—ADDRESS BY WATSON B. MILLER

[Mr. MURRAY asked and obtained leave to have printed in the RECORD an address entitled "The People's Health—A National Asset," delivered by Watson B. Miller, Federal Security Administrator, before the Medical Society of the County of New York, on December 17, 1945, which appears in the Appendix.]

THE PARLIAMENT OF MAN—ARTICLE BY GEORGE E. SOKOLSKY

[Mr. WHEELER asked and obtained leave to have printed in the RECORD an article entitled "The Parliament of Man" by George E. Sokolsky, published in the New York Sun of January 26, 1946, which appears in the Appendix.]

LET'S TRADE—ARTICLE BY FRANK C. WALDROP

[Mr. WHEELER asked and obtained leave to have printed in the RECORD an article entitled "Let's Trade," by Frank C. Waldrop, published in the Washington Times-Herald of February 8, 1946, which appears in the Appendix.]

A JERSEY FARM BOY

[Mr. HAWKES asked and obtained leave to have printed in the RECORD an article entitled "A Jersey Farm Boy," which appears in the Appendix.]

ALBERT CANTALUPO

The PRESIDENT pro tempore laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H. R. 1089) for the relief of Albert Cantalupo, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. ELLENDER. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. ELLENDER, Mr. O'DANIEL, and Mr. MORSE conferees on the part of the Senate.

CATHERINE BODE

The PRESIDENT pro tempore laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 2223) for the relief of Catherine Bode, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. ELLENDER. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. EASTLAND, Mr. O'DANIEL, and Mr. WILEY conferees on the part of the Senate.

HARRIET TOWNSEND BOTTOMLEY

The PRESIDENT pro tempore laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 2267) for the relief of Harriet Townsend Bottomley, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. ELLENDER. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. O'DANIEL, Mr. JOHNSTON of South Carolina, and Mr. WHERRY conferees on the part of the Senate.

MRS. S. P. BURTON

The PRESIDENT pro tempore laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 2487) for the relief of Mrs. S. P. Burton, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. ELLENDER. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. HUFFMAN, Mr. ELLENDER, and Mr. MORSE conferees on the part of the Senate.

SIGURDUR JONSSON AND THOROLINA THORDARDOTTIR

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 314) for the relief of Sigurdur Jonsson and Thorolina Thordardottir, which was, in line 14, after "son", to insert a colon and the following proviso: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

Mr. ELLENDER. Mr. President, I move that the Senate concur in the amendment of the House.

The motion was agreed to.

ESTATE OF MANUEL ROSE LIMA

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 1101) for the relief of the estate of Manuel Rose Lima, which was, on page 1, line 6, strike out "\$5,000" and insert "\$4,000."

Mr. WALSH. Mr. President, I move the Senate concur in the House amendment.

Mr. WHITE. Mr. President, I was talking with another Senator when the Senator from Massachusetts rose and I did not hear his request.

Mr. WALSH. My request was that the Senate concur in the House amendment to this personal relief bill. The bill which passed the Senate fixed the compensation at \$5,000, and the House reduced it to \$4,000. My motion is to concur in the action taken by the House.

Mr. WHITE. I thank the Senator.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Massachusetts.

The motion was agreed to.

PAY AND ALLOWANCES OF CERTAIN OFFICERS OF THE RETIRED LIST OF THE REGULAR NAVY AND COAST GUARD

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 473) relating to pay and allowances of officers of the retired list of the Regular Navy and Coast Guard performing active duty in the rank of rear admiral, which was, to strike out all after the enacting clause and insert:

That any officer of the retired list of the Navy or Coast Guard of the permanent grade or rank of rear admiral who is entitled to the pay of the lower half of that grade and who is, has been, or may be recalled to active duty and who in time of war or other national emergency served, serves, or may serve satisfactorily on active duty for a period of 2 years or more in the grade or rank of rear admiral or in a higher grade, shall be entitled when on active duty to the pay and allowances of a rear admiral of the upper half unless he is entitled under other provisions of law to higher pay and allowances, and he

shall be entitled when on inactive duty to retired pay equal to 75 percent of the pay of a rear admiral of the upper half unless he is entitled under other provisions of law to higher retired pay or allowances: *Provided*, That no back pay or allowances shall be held to have accrued under this act prior to the date of its approval.

Mr. WALSH. Mr. President, this bill passed the House and the Senate, but a certain amendment was attached to it in the House which should be acted on by the Committee on Naval Affairs, and I ask that the amendment be referred to the Committee on Naval Affairs.

The PRESIDENT pro tempore. Without objection, it is so ordered.

SETTLEMENT OF ACCOUNTS OF CERTAIN DECEASED OFFICERS AND ENLISTED MEN OF THE ARMED SERVICES, ETC.

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives, to the bill (S. 50) to permit settlement of accounts of deceased officers and enlisted men of the Navy, Marine Corps, and Coast Guard, and of deceased commissioned officers of the Public Health Service, without administration of estates, which were, on page 3, after line 2, to insert:

SEC. 4. The paragraph of the act entitled "An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1907, and for other purposes," approved June 30, 1906 (34 Stat. 750), as amended by the act of December 7, 1944 (58 Stat. 795), which related to the settlement of accounts of deceased officers and enlisted men of the Army, is amended to read as follows:

"Hereafter in the settlement of the accounts of deceased officers or enlisted persons of the Army, where no demand is presented by a duly appointed legal representative of the estate, the accounting officers may allow the amount found due to the decedent's widow, widower, or legal heirs in the following order of precedence: First, to the widow or widower; second, if decedent left no widow or widower, or the widow or widower be dead at time of settlement, then to the children or their issue, per stirpes; third, if no widow, widower, or descendants, then to the father and mother in equal parts; fourth, if either the father or mother be dead, then to the one surviving; fifth, if there be no widow, widower, child, father, or mother at the date of settlement, then to the brothers and sisters and children of deceased brothers and sisters, per stirpes: *Provided*, That this act shall not be so construed as to prevent payment from the amount due the decedent's estate of funeral expenses, provided a claim therefor is presented by the person or persons who actually paid the same before settlement by the accounting officers."

And to amend the title so as to read: "An act to permit settlement of accounts of deceased officers and enlisted men of the Army, Navy, Marine Corps, and Coast Guard, and of deceased commissioned officers of the Public Health Service, without administration of estates."

Mr. WALSH. Mr. President, the amendments added to this bill by the House of Representatives are of such importance that I ask that they be referred to the Committee on Military Affairs.

The PRESIDENT pro tempore. Without objection, it is so ordered.

REAR ADM. EARLE W. MILLS—JOINT
RESOLUTION REFERRED TO THE COM-
MITTEE ON COMMERCE

Mr. WALSH. Mr. President, I ask unanimous consent that the joint resolution (H. J. Res. 300) to authorize the President to appoint Rear Adm. Earle W. Mills, United States Navy, to the office of Chairman and member of the United States Maritime Commission and Administrator of the War Shipping Administration without affecting his naval status and perquisites, be taken from the calendar and referred to the Committee on Commerce. That is the measure in which the Senator from Maine [Mr. WHITE] is interested.

The PRESIDENT pro tempore. Without objection, it is so ordered.

REAR ADM. EARLE W. MILLS—JOINT
RESOLUTION INDEFINITELY POST-
PONED

Mr. WALSH. Mr. President, I ask unanimous consent that the joint resolution (S. J. Res. 130) to authorize the President to appoint Rear Adm. Earle W. Mills, United States Navy, to the office of Chairman and member of the United States Maritime Commission and Administrator of the War Shipping Administration without affecting his naval status and perquisites be indefinitely postponed.

The PRESIDENT pro tempore. Without objection, it is so ordered.

LOCATION OF PERMANENT HEADQUAR-
TERS OF THE UNITED NATIONS ORGAN-
IZATION

The PRESIDENT pro tempore. The Senator from Louisiana [Mr. ELLENDER] has the floor.

Mr. TAFT. Mr. President, will the Senator from Louisiana yield to me to make a 3-minute statement on a different subject?

Mr. ELLENDER. I yield.

Mr. TAFT. Mr. President, my attention has been called to the fact that the United Nations Organization desires to establish itself in the States of Connecticut and New York and proposes to acquire an area more than 40 square miles in extent.

I cannot imagine any possible need for such space, and I do not think our Government should agree to any such establishment. It is beyond my comprehension why anything is needed other than a site comparable to the campus of a college with adequate meeting halls and office quarters. I see no reason why those attending the organization should not find their living quarters in neighboring cities or towns.

In December Congress passed a bill giving certain privileges to international organizations and providing, in effect, that these organizations should have the same status in the United States as the embassies of foreign governments. No foreign government has ever suggested such an establishment as is now proposed. The bill which Congress passed on the assumption that there was to be an embassylike location, provides that the property and assets of international organizations shall be immune from

search, and also provides that the representatives of such organizations shall be immune from suit relating to acts performed by them in their official capacity. This is all very well as to an embassy, but if applied to a site containing 40 square miles it would seem to give a kind of extraterritorial status contrary to the intention of the law, and contrary to the necessary powers which should be retained by the United States and the States of Connecticut and New York.

Mr. President, I believe that our State Department should immediately protest and that the United Nations should make over their plans and confine their establishment to a reasonable size. Incidentally, any such plan as they propose would be tremendously expensive to the nations associated in this undertaking.

Mr. WHITE. Mr. President, will the Senator from Ohio yield to me for a question?

Mr. TAFT. I yield for a question.

Mr. WHITE. I am interested to know by what process the UNO is to acquire title to these lands and this property within the States of Connecticut and New York. Have we given to this organization the power of eminent domain?

Mr. TAFT. No; the United Nations has no power of eminent domain. And I do not think the United States would have the right to exercise any power of eminent domain and hand it over to the United Nations, which is, in effect, a foreign government. The effect of the act was to say that we would recognize that the United Nations, acting together, should have the same status as an individual foreign government. That was the effect of the act.

Mr. WHITE. Yes; but the individual foreign government has no power of condemnation in the United States.

Mr. TAFT. None whatever, and I do not think the United Nations Organization has any power of condemnation.

Mr. WHITE. I was curious to know, then, by what right or on what hope they base their assumption of the acquisition or the right to acquire this property.

Mr. TAFT. I suppose they intended to buy it. I have no knowledge of that, however. What rather concerned me was that immunity from search which we conferred might be construed to give a kind of extraterritorial status to this 40 or 50 square miles; to take it out of the control of the public officials and of the States of Connecticut and New York.

Mr. LA FOLLETTE. Mr. President, will the Senator yield on that point?

Mr. TAFT. Certainly.

Mr. LA FOLLETTE. I should like to ask the Senator if either the Federal Government or the States concerned can alienate territory of the United States and give extraterritorial rights to an organization which is not a nation, but a combination of nations that have joined together in an association for certain purposes?

Mr. TAFT. I do not quite see why an act of the Congress declaring that the United Nations Organization should be considered the same as one government should not be a valid act. I as-

sume that we could give them the same rights probably, so far as the Constitution is concerned, as we give a foreign government. That is what we intended to do. But I certainly do not feel that that should be extended to cover 40 or 50 square miles of territory.

Mr. LA FOLLETTE. That is just the point. Extraterritorial rights are given to an embassy and its buildings in a community; but it seems to me that to acquire a large area of territory and alienate it from the jurisdiction of the United States and of the States poses an entirely different question.

Mr. TAFT. I think so, too. I urged the Senate to pass the bill, and I feel some responsibility for it; but I want to say that I do not think this kind of a set-up was in any way contemplated by the bill or by the Senate when it passed the bill.

FAIR EMPLOYMENT PRACTICE ACT

The Senate resumed the consideration of the bill (S. 101) to prohibit discrimination in employment because of race, creed, color, national origin or ancestry.

Mr. McCLELLAN. Mr. President, will the Senator from Louisiana yield to me so I may make a point of no quorum?

Mr. ELLENDER. I yield for that purpose, if by so doing I do not lose my right to the floor.

Mr. McCLELLAN. I make the point of no quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Alken	Hatch	Myers
Austin	Hawkes	O'Daniel
Bailey	Hayden	Overton
Ball	Hickenlooper	Radcliffe
Bankhead	Hill	Reed
Barkley	Hoey	Revercomb
Bilbo	Huffman	Robertson
Bridges	Johnson, Colo.	Russell
Briggs	Johnston, S. C.	Saltonstall
Buck	Kilgore	Shipstead
Bushfield	Knowland	Smith
Butler	La Follette	Stanfill
Byrd	Langer	Stewart
Capehart	Lucas	Taft
Capper	McCarran	Taylor
Carville	McClellan	Thomas, Okla.
Cordon	McFarland	Thomas, Utah
Downey	McKellar	Tobey
Eastland	McMahon	Tunnell
Ellender	Magnuson	Tydings
Ferguson	Maybank	Walsh
George	Mead	Wheeler
Gerry	Millikin	Wherry
Gossett	Mitchell	White
Green	Moore	Wiley
Guffey	Morse	Willis
Gurney	Murdock	Wilson
Hart	Murray	

Mr. HILL. The Senator from New Mexico [Mr. CHAVEZ], the Senator from Virginia [Mr. GLASS], and the Senator from New York [Mr. WAGNER] are absent because of illness.

The Senator from Florida [Mr. ANDREWS], and the Senator from Wyoming [Mr. O'MAHONEY] are necessarily absent.

The Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Florida [Mr. PEPPER] are detained on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a

representative of the United States attending the first session of the General Assembly of the United Nations, now being held in London.

Mr. WIHERRY. The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a representative of the United States attending the first session of the General Assembly of the United Nations, now being held in London.

The Senator from Maine [Mr. BREWSTER], the Senator from Illinois [Mr. BROOKS], and the Senator from Indiana [Mr. WILLIS] are necessarily absent.

The Senator from North Dakota [Mr. YOUNG] has been excused and is absent on official business.

The Senator from Missouri [Mr. DONNELL] has been excused and is necessarily absent.

The PRESIDENT pro tempore. Eighty-three Senators having answered to their names, a quorum is present.

EXTENSION OF TIME DURING WHICH DISPOSITION OF CERTAIN PIPE LINES IS PROHIBITED

Mr. MAYBANK. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield if thereby I do not lose the floor.

Mr. MAYBANK. Mr. President, I send to the desk a joint resolution and ask unanimous consent for its present consideration. The joint resolution concerns several pipe lines upon which the Surplus Property Subcommittee of the Committee on Military Affairs has been working. The joint resolution is introduced by me on behalf of the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. REVERCOMB], the Senator from Iowa [Mr. WILSON], and myself. We ask for a 30-day extension of the time during which disposition of certain pipe lines is prohibited under the Surplus Property Act of 1944, as amended, because several companies have taken exception to the report and wish to be heard.

The PRESIDENT pro tempore. The joint resolution will be read for the information of the Senate.

The joint resolution (S. J. Res. 140) to extend in the case of the Government-owned pipe lines known as Big Inch and Little Big Inch the time during which disposition of such pipe lines is prohibited under the Surplus Property Act of 1944, as amended, was read, as follows:

Resolved, etc., That subsection (c) of section 19 of the Surplus Property Act of 1944, as amended, is amended by inserting after the word "facilities" the following: "and in the case of the Government-owned pipe lines known as Big Inch and Little Big Inch, extending from Texas to the New York-New Jersey area."

The PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

Mr. MURDOCK. Mr. President, reserving the right to object, I should like to ask the distinguished Senator from South Carolina a question. As I understand the joint resolution, it would have the effect of extending, for a period of 30 days, the expiration date in connection with the report from the Surplus Prop-

erty Administration having to do with the disposition of the two pipe lines mentioned in the joint resolution.

Mr. MAYBANK. Mr. President, I wish to read to the Senate the report submitted unanimously by all the members of the committee:

The purpose of this resolution is to give the subcommittee an additional 30 days, until March 15, to consider the recommendations contained in the report.

That is all.

Mr. McCARRAN. Mr. President, I cannot yield for the purpose of having this matter taken up if there is to be debate on the subject. It seems to me that the joint resolution should go over until we may know what it is all about.

Mr. MURDOCK. The only point I wish to clear up is that the joint resolution has nothing whatever to do with the disposition of high-octane gasoline plants.

Mr. MAYBANK. Nothing whatsoever. It merely gives us 30 days more to hold hearings so that we may be more enlightened.

The PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

Mr. OVERTON. Mr. President, reserving the right to object, I should like some further information on this question if we are to take it up at this time. What is the necessity for the joint resolution?

Mr. MAYBANK. Under the Surplus Property Act, no disposition may be made of pipe lines, among other properties, until 30 days after the submission of a report by the Surplus Property Administration setting forth disposal policies. In the case of the so-called Big Inch and Little Big Inch pipe lines, such report was submitted on January 4. Under the provisions of the Surplus Property Act the time would expire on February 13, next Wednesday, 30 days after Congress convened. The purpose of the joint resolution is merely to give the subcommittee an additional 30 days until March 15, to consider the recommendations contained in the report.

Mr. WHITE. Mr. President, reserving the right to object—

Mr. OVERTON. Mr. President, I should like to ask another question.

Mr. WHITE. I should like to have this matter go over until I have an opportunity to talk with some of the minority members of the committee. It is all new to me. I know nothing about it, and I have had no opportunity to discuss the question.

The PRESIDENT pro tempore. Objection is heard.

Mr. MAYBANK. I should like to state to the distinguished Senator from Maine that the coauthors of the bill who are minority members are the Senator from West Virginia [Mr. REVERCOMB] and the Senator from Iowa [Mr. WILSON].

Would the Senator from Maine object to my bringing up the resolution later this afternoon?

Mr. WHITE. I should not object if I have an opportunity to talk to the minority members, unless I find them in disagreement with the Senator from South Carolina.

I suggest that the request be deferred now, and renewed later in the afternoon.

The PRESIDENT pro tempore. Objection is heard to the request for present consideration of the resolution.

The resolution (S. J. Res. 140) was read twice by its title and ordered to lie on the table.

Mr. MAYBANK subsequently said: Mr. President, I ask unanimous consent for the present consideration of Senate Joint Resolution 140. Earlier today I asked unanimous consent for consideration of the joint resolution, but objection was made. Since then I have conferred with both the majority and minority leaders and understand that they have no objection to the present consideration of the joint resolution.

Mr. TAFT. Mr. President, may we have the calendar number of the joint resolution?

The PRESIDING OFFICER. The joint resolution is not on the calendar. It was introduced earlier today. The title will be stated for the information of the Senate.

The LEGISLATIVE CLERK. A joint resolution (S. J. Res. 140) to extend in the case of the Government-owned pipe lines known as Big Inch and Little Big Inch the time during which disposition of such pipe lines is prohibited under the Surplus Property Act of 1944, as amended.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

Mr. WHITE. Mr. President, earlier in the day I voiced objection to immediate consideration of the joint resolution. I have since spoken to minority members of the Military Affairs Committee. I find some measure of approval from individual members, but I am able to say that the Senator from Vermont [Mr. AUSTIN] has gone over this matter with his usual care and he assures me there can be no reasonable objection to acceptance of the proposal.

Mr. TAFT. Mr. President, with what does the joint resolution deal?

Mr. MAYBANK. The joint resolution would extend for 30 days longer the time during which disposition may be made of the Big Inch and Little Big Inch pipe lines. The time expires next week. This would give opportunity for further hearings before the subcommittee of the Military Affairs Committee.

Mr. TAFT. It is not a legislative measure?

Mr. MAYBANK. It is a joint resolution prohibiting the sale of the pipe lines until the hearings can be completed.

Mr. TAFT. The sale of the pipe lines is now prohibited by law?

Mr. MAYBANK. Yes.

Mr. TAFT. So the joint resolution would actually prohibit for 30 days longer the sale of these pipe lines?

Mr. MAYBANK. It would extend the time, as was done in the case of aluminum sales, until the committee could finish its hearings.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution (S. J. Res. 140) to extend in the case of the Government-owned pipe lines known as Big Inch and Little

Big Inch the time during which disposition of such pipe lines is prohibited under the Surplus Property Act of 1944, as amended, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That subsection (c) of section 19 of the Surplus Property Act of 1944, as amended, is amended by inserting after the word "facilities" the following: "and in the case of the Government-owned pipe lines known as Big Inch and Little Big Inch, extending from Texas to the New York-New Jersey area."

TREATY OF PEACE SIGNED BY UNITED KINGDOM AND INDIA WITH SIAM

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the RECORD a photostat from the New York Times of Wednesday, January 2, 1946, giving the text of a treaty of peace signed by the United Kingdom and India with Siam. I wish to say that when the subcommittee of the Mead committee, of which I was a member, were overseas we obtained some information on the matter which I felt affected the sovereignty of Siam, prohibiting Siam from building a canal across her own territory. Upon our return, I requested a copy of the treaty from the State Department. The State Department had no copies for distribution, but referred me to the New York Times, from which I was able to obtain the full text of the treaty, which was published in that newspaper. At a later date I shall have something to say regarding this matter.

There being no objection, the treaty was ordered to be printed in the RECORD, as follows:

TEXT OF TREATY OF PEACE SIGNED BY UNITED KINGDOM AND INDIA WITH SIAM

Whereas by a proclamation made in Bangkok on the 16th August 1945, the Regent of Siam did, in the name of His Majesty the King of Siam, proclaim the declaration of war made by Siam on the 25th January 1942 against the United Kingdom to be null and void in that it was made contrary to the will of the Siamese people and in violation of the constitution and laws of Siam; and

Whereas the proclamation of the 16th August 1945 aforesaid was the same day unanimously approved by the National Assembly of Siam; and

Whereas the Siamese Government have repudiated the alliance entered into by Siam with Japan on the 21st December 1941, together with all other treaties, pacts, or agreements concluded between Siam and Japan; and

Whereas the Siamese Government are anxious to play their full part in mitigating the effects of war, particularly in such measures as may be designed to assist in the restoration of international security and general economic welfare; and

Whereas the Government of the United Kingdom and the Government of India, in consideration of the acts of repudiation already carried out by the Siamese Government, and not unmindful of the services rendered by the resistance movement in Siam during the war with Japan, desire to bring the state of war to an immediate end;

Now therefore the Government of the United Kingdom and the Government of India on the one hand and the Siamese Gov-

ernment on the other, being desirous of renewing the relations of close friendship which existed before the war, have resolved to conclude an agreement for these purposes and have accordingly appointed as their plenipotentiaries:

The Government of the United Kingdom of Great Britain and Northern Ireland: Mr. M. E. Denning, CMG, OBE.

The Government of India: Mr. M. S. Aney. The Siamese Government: His Serene Highness Prince Vihat Anajai Jayant.

Who, having communicated their full powers, found in good and due form, have agreed as follows:

RESTITUTION AND READJUSTMENT

Article I

The Siamese Government agree to repudiate all measures pursuant to the above-mentioned declaration of war made on the 25th January 1942, and to take the necessary legislative and administrative measures to give effect to that repudiation.

Article II

The Siamese Government declare as null and void all purported acquisitions of British territory made by Siam later than December 7, 1941, as well as all titles, rights, properties and interests acquired in such territory since that date either by the Siamese state or by Siamese subjects. The Siamese Government agree to take the necessary legislative measures to give effect to the foregoing declaration and in particular:

(A) To repeal and declare null and void ab initio all legislative and administrative measures relating to the purported annexation by, or incorporation in, Siam of British territories effected after the 7th December 1941.

(B) To withdraw as may be required by the competent civil or military authority all Siamese military personnel from all such British territories and all Siamese officials and nationals who enter these territories after their purported annexation by, or incorporation in, Siam.

(C) To restore all property taken away from these territories, including currency except to the extent to which it can be established that fair value has been given in exchange.

(D) To compensate for loss or damage to property, rights, and interests in these territories arising out of the occupation of these territories by Siam.

(E) To redeem in sterling out of former sterling reserves current Siamese notes collected by the British authorities in British territory occupied by Siam since the 7th of December 1941.

Article III

The Siamese Government agree to assume responsibility for safeguarding, maintaining, and restoring unimpaired British property, rights, and interests of all kinds in Siam and for payment of compensation for losses or damage sustained. The term "property, rights, and interests" shall include inter alia the official property of the Government of the United Kingdom and of the Government of India, property whose ownership has been transferred since the outbreak of war, pensions granted to British nationals, stocks of tin, teak, and other commodities, shipping and wharves, and tin, teak, and other leases and concessions granted to British firms and individuals prior to the 7th of December 1941, and still valid at that date.

Article IV

The Siamese Government agree to desecrate British banking and commercial concerns and permit them to resume business.

Article V

The Siamese Government agree to accept liability, with the addition of interest, at an appropriate percentage, in respect of payments in arrears, for the service of the loans

and for the payment of pensions in full since the date when regular payments ceased.

SECURITY

Article VI

The Siamese Government recognize that the course of events in the war with Japan demonstrates the importance of Siam to the defense of Malaya, Burma, India, and Indo-China, and the security of the Indian Ocean and Southwest Pacific areas and the Siamese Government agree to collaborate fully in all international security arrangements approved by the United Nations Organization or its Security Council which may be pertinent to Siam and especially such international security arrangements as may relate to those countries and areas.

Article VII

The Siamese Government undertake that no canal linking the Indian Ocean and the Gulf of Siam shall be put across Siamese territory without the prior concurrence of the Government of the United Kingdom.

COMMERCE AND ECONOMIC COLLABORATION

Article VIII

The Siamese Government agree to take all possible measures to reestablish import and export trade between Siam on the one hand and neighboring British territories on the other, and to adopt and maintain a good neighborly policy in regard to coastal shipping.

Article IX

The Siamese Government undertake to negotiate with the Government of the United Kingdom as soon as practicable a new treaty of establishment, commerce, and navigation and a consular convention based on the reciprocal application of the principles in article XI below.

Article X

The Siamese Government undertake to negotiate with the Government of India as soon as practicable a new treaty of commerce and navigation based on the reciprocal application of the principles in the following article.

Article XI

(1) Pending the conclusion of the treaties and convention referred to in articles IX and X above and subject to paragraph 2 of this article, the Siamese Government undertake to observe the provisions of the Treaty of Commerce and Navigation signed at Bangkok on the 23d of November 1937, and further undertake, except where the treaty specifically authorizes such action, not to enforce any measures, excluding British commercial or industrial interests or British professional men on grounds of nationality from participation in Siam economy and trade, or any measures requiring them to maintain stocks or reserves in excess of normal commercial, shipping, industrial, or business practice.

(2) The above-mentioned undertakings of the Siamese Government (A) shall be subject to such exceptions, if any, as may at any time be agreed between the Government of the United Kingdom or the Government of India, as the case may be, and the Siamese Government; (B) shall, unless prolonged by agreement, lapse if the treaties and conventions referred to in articles IX and X have not been concluded within a period of 3 years from the coming into force of this agreement.

(3) Nothing in this article shall be deemed to preclude the grant of equally favorable treatment to nationals and enterprises of any or all of the other United Nations.

Article XII

The Siamese Government undertake to participate in any general international arrangement regarding tin or rubber which conforms with such principles regarding commodity arrangements as may be agreed

by the United Nations Organization or its Economic and Social Council.

Article XIII

Until a date or dates not later than September 1, 1947, the Siamese Government undertake to prohibit, except in accordance with the recommendations of the combined boards in Washington, or any successor body, and in the case of rice, under the direction of a special organization to be set up for the purpose, any exports of rice, tin, rubber, and tea and to regulate trade in and stimulate the production of these commodities.

Article XIV

The Siamese Government undertake to make available free of cost at Bangkok to an organization to be indicated by the government of the United Kingdom, and as quickly as may be compatible with the retention of supplies adequate for Siamese internal needs, a quantity of rice equal to the accumulated surplus rice at present existing in Siam, subject to a maximum of one and a half million tons, or, if so agreed, the equivalent quantity of paddy or loonzain. It is agreed that the exact amount of rice to be made available under this article shall be determined by the organization above mentioned and that the rice, paddy, or loonzain delivered under this article shall conform to agreed standards of quality to be determined by the same authorities.

Article XV

Until a date not later than the 1st of September 1947, the Siamese Government agree to make available to the rice organization mentioned in article XIII and XIV, all rice surplus to the internal needs of Siam. Such rice, with the exception of rice delivered free in accordance with the undertaking given in article XIV, will be supplied in such manner as the special organization mentioned in articles XIII and XIV shall indicate and at prices fixed in agreement with it, having regard to the controlled prices of rice in other Asiatic rice exporting areas.

CIVIL AVIATION

Article XVI

The Siamese Government shall accord to civil air services of the British Commonwealth of Nations by means of agreements to be negotiated with governments of the members of the British Commonwealth of Nations treatment in regard to the establishment, maintenance, and operation of regular air services not less favorable than that accorded to Imperial Airways by the notes exchanged at Bangkok on the 3d of December 1937.

WAR GRAVES

Article XVII

The Siamese Government undertake to enter into an agreement with the Government of the United Kingdom and the Government of India for the mutual upkeep of war graves with a view to the permanent establishment and future care of British and Indian war graves and of Siamese war graves in their respective territories.

MISCELLANEOUS

Article XVIII

The Siamese Government agree to regard as in force such bilateral treaties between the United Kingdom and Siam and India and Siam as may respectively be specified by the Government of the United Kingdom and the Government of India, subject to any modifications the Government of the United Kingdom or the Government of India may indicate and to regard as abrogated such treaties not so specified.

Article XIX

The Siamese Government agree to regard as being in force between the United Kingdom and Siam and between India and Siam all multilateral treaties, conventions, or

agreements concluded prior to the 7th of December 1941, (A) to which Siam and the United Kingdom or India, as the case may be, were then and still are parties; (B) to which the United Kingdom or India, as the case may be, was then and still is a party, but to which Siam has not become a party.

On receipt of such notification, the Siamese Government shall immediately take the necessary steps, in accordance with the provisions of any such treaty, convention, or agreement to which Siam is not a contracting party, to accede thereto, or, if accession is not possible, shall give effect to the provisions thereto, in respect of the United Kingdom or India, as the case may be, by such legislative or administrative means as may be appropriate. The Siamese Government agree also to accept any modifications thereto which may have come into effect in accordance with the terms of such instruments since that date.

Article XX

Pending admission to any international organization set up since the 7th of December 1941, being an organization of which the United Kingdom or India is a member, the Siamese Government agree to carry out any obligations arising out of or in connection with any such organization or the instrument constituting it as may at any time be specified by the Government of the United Kingdom or the Government of India, as the case may be.

Article XXI

In consideration of the above undertaking made by the Siamese Government, the Government of the United Kingdom and the Government of India agree to regard the state of war as terminated and to proceed at once to the resumption of normal relations with Siam and to the exchange of diplomatic representatives.

Article XXII

The Government of the United Kingdom and the Government of India also undertake to support Siam's candidature for membership of the United Nations.

DEFINITIONS AND DATE OF ENTRY INTO FORCE OF AGREEMENT

Article XXIII

It is agreed by the contracting parties that the terms "British" in this agreement, (1) when applied to physical persons, shall mean all the subjects of His Majesty the King of Great Britain, Ireland, and the British Dominions Beyond the Seas, Emperor of India, and all persons under His Majesty's protection; (2) when applied to territory, shall mean any territory under His Majesty's sovereignty, suzerainty, protection, or mandate, as the case may be; (3) when applied to legal persons, shall mean all legal persons deriving their status as such from the law in force in any such territory; and (4) when applied to property, rights, or interests, shall mean the property, rights, or interests of persons specified under (1) or (3) above, as the case may be.

Article XXIV

This agreement shall enter into force as from today's date.

In witness whereof the undersigned have signed the present agreement and have affixed thereto their seals.

Done in triplicate at Singapore this 1st day of January, in the nine hundred and forty-sixth year of the Christian era, corresponding to the twenty-four hundred and eighty-ninth year of the Buddhist era in the English and Siamese languages, of which, in case of dispute, the English shall prevail.

RATES AND FREQUENCIES OF OVERSEAS AIR COMMERCE

Mr. McCARRAN. Mr. President, I occupy the floor through the courtesy of the Senator from Louisiana [Mr. ELLEN-

DER], and without in any way interfering with his right to the floor. I wish to have that understood.

The PRESIDENT pro tempore. It is so understood.

Mr. McCARRAN. Mr. President, this week will see the conclusion of a conference between representatives of the British Government and representatives of our own Government, with representatives of the three American air lines operating in international air commerce present as observers. This conference began on January 15. Although originally expected to continue for only a week or 10 days, it has continued for more than 3 weeks. Among the important matters which have been considered at this conference are rates and fares for international air transportation and frequency of flights in such transportation.

Part of the background for this conference is a rate war in air transportation across the Atlantic. I assume that most Senators are generally familiar with this background; but as a basis for better understanding of the situation by all of us, let me sketch it briefly.

The Civil Aeronautics Board, in deciding the North Atlantic route case, granted certificates to three American air carriers for flights across the Atlantic. The three carriers are Pan-American Airways, American Air Lines, and Transcontinental and Western Air. The Civil Aeronautics Board based its action largely on the premise that competition between a number of American-flag air carriers was necessary in the public interest, in order to promote better service and lower fares.

In taking the action which it took, the Civil Aeronautics Board disregarded warnings by Members of this body, and by others, that such a policy would permit foreign nations to play off one American air carrier against another, to the detriment of the best interests of this country, and to the benefit of the interests of foreign nations. Evidence that these warnings should not have been so lightly disregarded was not long in coming.

Pan-American Airways, which previously had announced its goal as 10-hour flights across the Atlantic at a fare of approximately \$100 a passenger one way, took the first postwar step toward that goal by announcing a one-way fare of \$275 from the United States to England. Great Britain, whose own air carrier presumably had determined that it could not fly the Atlantic profitably at such a fare, promptly retaliated by refusing to permit Pan-American Airways' planes to land in the British Isles on more than the two flights a week which were guaranteed by treaty. The additional scheduled flights which had been allotted to Pan-American Airways were then offered by the British to American Air Lines, competitor of Pan-American Airways on the North Atlantic route, which had kept its fares in line with British ideas of what they should be. Under this pressure, Pan-American Airways was forced to increase its proposed fare from \$275 to \$375, and thereby charge the traveling public \$100 more than it thought necessary for a one-way flight across the Atlantic.

Remember, now, one of the avowed purposes of the Civil Aeronautics Board in granting certificates to several carriers for the North Atlantic flights was to improve service and reduce rates. Yet the very first result from this policy is that American air travelers are forced to pay \$100 more for the North Atlantic flight than they would be charged if Pan-American Airways had been permitted to put into effect its originally announced rate of \$275.

Just before the Bermuda Conference began, Pan-American Airways announced its intention to resume clipper service to France on February 15, and announced that its fare to Marseilles would be \$295. A day or so later, dispatches from Paris said the French Government would refuse to permit Pan-American Airways to fly to France with such low fares, and had demanded that transatlantic fares be made subject to international agreement.

One of the purposes of the conference now under way in Bermuda was admittedly to arrive at some form of international agreement, on a bilateral basis, between the United States and Great Britain for control of fares and frequencies. The conference has, in fact, reached such an agreement, according to newspaper reports, and has submitted it to London and Washington for approval.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. ROBERTSON. Is it not a fact that the fare which is charged by the Pan-American lines from New York or Washington to Shannon, Ireland, is \$275 and not \$375?

Mr. McCARRAN. Yes.

Mr. ROBERTSON. So the charge of an extra \$100 for the short distance from Shannon, Ireland, to an airport near London is because of the attitude of the British Government.

Mr. McCARRAN. In order to land in England, an air passenger must pay a fare of \$375, but he can land in Ireland for a fare of \$275.

Mr. ROBERTSON. I invite also the Senator's attention to the instruction which the pilot received on a recent flight which I made on a TWA Constellation to Paris. When we left Paris there was some question as to whether we would be able to land at Shannon, Ireland. The instruction given to the pilot was that the alternate port would be Brussels, Belgium. If we could not land in Ireland we would be compelled to land in Belgium.

Mr. McCARRAN. May I ask where the Senator landed?

Mr. ROBERTSON. We managed to land in Ireland.

Mr. McCARRAN. Mr. President, it seems to me that this Conference and its purposes, so far as I have outlined them, are in sharp conflict with the basic assumptions of our own Government departments. Those departments have asserted time and time again that they want free and open competition; that they are opposed to any form of cartel arrangement.

I will not take the time of the Senate to document that statement in too great detail. However, I should like to quote

from a few of our responsible officials on this subject.

Mr. WHEELER. Mr. President, in one breath some of the departments of the Government are denouncing cartels and shouting about them from one end of the country to the other. In the next breath they are promoting cartels.

Mr. McCARRAN. They are not only promoting them but they are forcing them.

Mr. WHEELER. Yes; the Senator is correct. They are not only promoting them but they are forcing them. That statement is not only true with reference to air transportation but it is also true with reference to radio and other matters.

Mr. McCARRAN. I thank the Senator. In a report to the Senate Committee on Commerce, with reference to my bill for the creation of an all-American flag line, Mr. Oswald Ryan, then Acting Chairman of the Civil Aeronautics Board, said:

The stimulus to an imaginative management that results from the competitive efforts of business rivals to secure patronage and trade cannot be matched as a motivating force for public welfare even by the private profit incentive; for the latter might be gratified by moderate traffic at high rates, while the public welfare requires a large volume at lower fares and charges.

Let me repeat:

Public welfare requires a large volume at lower fares and charges.

I do not see how that statement jibes with the actions of the Civil Aeronautics Board in standing by and condoning British coercion of an American air carrier to tack an extra \$100 on its announced fare for trans-Atlantic flight; or the further action of the Board in entering upon the Bermuda Conference with a view to perpetuating the higher rate thus arrived at.

Mr. W. L. Clayton, in testifying for the State Department before the Subcommittee on Aviation of the Senate Committee on Commerce, said:

It has been suggested that foreign air lines will provide all the competition needed to assure efficiency of operation, reasonable rates, and technical progress. In my opinion, competition with foreign air lines is not sufficient to stimulate the keen and aggressive development and improvement of services which would be forced upon an American air line by competition from another air line of the same nationality.

Today, Mr. President, we have the report that representatives of the State Department, in Bermuda, have assented to British demands for a typical cartel-type, rate-fixing agreement which will not only prevent competition between American air lines but will also prevent American air lines from competing with the British, so far as rates are concerned.

Now let me quote further from Mr. Clayton's testimony. He said:

Between the two World Wars the movement throughout the world in the direction of restrictive practices in international economic affairs, such as trade discriminations of all kinds, and cartels, etc., was very strong. The policy of the Department of State is opposed to all such restrictive practices, and we are trying to bring about, by collaboration with other nations, a movement in the opposite direction.

Mr. President, if an international agreement fixing rates for air travel across the North Atlantic at an arbitrary figure, more than 50 percent higher than the rate at which the largest, oldest, and most successful American air carrier figures it can operate profitably, is a movement in the opposite direction from restrictive practices and cartels, then I have no conception of what is meant by those terms.

In its decision in the North Atlantic route case, the Civil Aeronautics Board said:

A reduction in travel costs to the American public which Pan-American advances as an objective under its plan, of course, is earnestly desired by the Board. In our opinion, however, the objective can be reached most surely through regulated competition between United States international air carriers rather than by relying upon a worldwide monopoly. The stimulus imparted to energetic management under a sound competitive system would insure the establishment of a fare level for international service which would result in maximum development of the traffic potential.

Mr. President, we will never reach the objective of a reduction in travel costs to the American public, which the Civil Aeronautics Board in that decision said it earnestly desired, by participating in any kind of an international agreement which denies to energetic management the right to reduce fares; or which, as in this present case, actually requires that fares be increased by more than 50 percent above the level at which energetic management determined it could profitably operate.

Mr. President, not so long ago the Department of Justice spent 2 years investigating Pan-American Airways to see if it had entered into any such agreements as are now being proposed from Bermuda. The Department of Justice made that investigation with a view to taking antitrust action if it found that any such agreement had been entered into. It found no such agreements. And yet, today, there is a serious threat that exactly such an agreement will be forced upon American air carriers as a result of the Bermuda Conference.

Mr. SALTONSTALL. Mr. President, I wish to ask a question which came to my mind as the Senator was speaking with reference to establishing rates, and the Civil Aeronautics Board agreeing to higher rates. Under the Interstate Commerce Commission Act with reference to railroads, maximum rates are established, but I have never understood that there was anything which would prevent a railroad from charging rates under the maximum rates established, providing that it desired to do so, and providing also that it filed proper notice. Is there anything of which the Senator knows which would prevent Pan-American, or any other air carrier, from charging rates less than those which the Civil Aeronautics Board has established if the carrier so desired?

Mr. McCARRAN. I know of nothing except the illustration which I gave of a foreign country stating, in effect, "If you go under this rate you may not land on our soil."

Mr. President, what is the form of agreement which the British went to

Bermuda to get, and which, according to news reports, they have persuaded the United States delegates to recommend to Washington?

The proposal is substantially this: That our two Governments shall jointly agree to a minimum fare—probably \$375—for the North Atlantic flight, for which fare there is to be substituted, at some undetermined future time, whatever lower fare the International Air Transport Association shall determine is fair and reasonable.

Now, Mr. President, that probably sounds to many Senators like a completely innocuous proposal. The British want a temporary agreement on a fare. They say they are willing to accept any lower fare which the International Air Transport Association will approve. But there is a catch to it. The wood pile is not completely uninhabited. The International Air Transport Association, under its rules, cannot agree to a rate except by unanimous vote of its members. The British are members. Therefore, what they are saying is, in effect, that they want a rate of \$375 as a minimum, and that this rate is to continue unless, at some future time, they are willing to agree to recommend a lower rate.

That is the proposition, Mr. President. Like all proposals for action by international agreement, this one carries the basic defect that international agreement does not involve the democratic process. It is not rule of the majority.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. JOHNSON of Colorado. As I understand the statement of the Senator, such an agreement would not only give Great Britain control over flights to Britain, but it would give them control of rates to all foreign countries.

Mr. McCARRAN. Practically so.

Mr. JOHNSON of Colorado. That is, Britain could control the rate to Ireland, to Belgium, to France, and to every other nation.

Mr. McCARRAN. She could do so indirectly, by saying, "If your rates to Ireland, Belgium, or France, are not in conformity with what we want, you cannot land in England."

Mr. JOHNSON of Colorado. Yes; and through that pressure she could get the rates up, and once she got them up, they could not come down without her consent.

Mr. McCARRAN. That is correct. If one nation disagrees, there is no agreement. And so we are being asked, from Bermuda, to bind ourselves to a minimum fare for trans-Atlantic flights which is not what we want, but what the British want; which is not the fare at which our most aggressive and energetic management can operate, but the fare at which the British have determined their air line can operate. We are asked to accept this fare not on a temporary basis, but on an indefinite basis; and, Mr. President, there is a world of difference. The indefinite can, in this case, become permanent for as long as the British decline to approve a lower rate.

Mr. President, the Aviation Daily of February 4 reports that delegates at the Bermuda Conference are awaiting word

from Washington and London on two principal points on which agreement was reached at the Conference. One of these points, according to the report, concerns opening American military airfields leased from the British on a 99-year basis to international commercial use. The language of the report with regard to the other point upon which, it is said, agreement has been reached, is interesting language and I wish to read it to the Senate.

Organizations of air-line operators in England and the United States will decide among themselves the rate structure and number of flights on trans-Atlantic and other inter-country flights, based on a conference formula. Their decisions will be subject to approval of the CAB in cases involving United States terminal points.

Then there is a note, which I also wish to read.

While details of the conference formula were not announced, observers took the organization to mean IATA—

That is, the International Air Transport Association—

These observers also interpreted the agreement to imply CAB approval of the IATA structure for determination of rates and frequencies—a point which stymied the January rate conference of IATA in New York.

Remember that IATA means the International Air Transport Association, and remember the rule I have cited, that there must be unanimity or no rule of that association prevails.

Mr. President, in even considering such an agreement, the State Department and the Civil Aeronautics Board are again trying to bypass the Congress and to assume authority which Congress has never delegated.

It is significant that the Civil Aeronautics Act contains no conference provision such as the Shipping Act contains. It does not provide for rate-fixing agreements by the IATA or any other form of conference, domestic or international.

Furthermore, Mr. President, the Civil Aeronautics Act of 1938 did not provide for regulation by the Civil Aeronautics Authority of the rates charged by air carriers operating in foreign air transportation. Such regulation was provided in the case of domestic air carriers, but air carriers operating in foreign air transportation were specifically left free from such regulation on the basis of the argument that in the foreign field no rate regulation was desirable, since such regulation would place American carriers at a disadvantage in competing with air carriers owned by foreign governments.

As the author of the act I may say that weeks were spent in argument of that very subject. I was happy to prevail in the thought that we should not tie the hands of our liners that would fly abroad, because I realized that they would be in competition with lines operating planes from other countries, and we had no power whatever to regulate fares or frequencies, at least fares, of lines from other countries.

The Civil Aeronautics Act specifically provided for a study of this subject by the CAA, and for a report and recommendations to the Congress based upon such a study. That study was made and

that report was transmitted. It recommended against regulation of rates in foreign air transportation.

Mr. President, the fact that the Civil Aeronautics Board has now changed its views and favors amending the Civil Aeronautics Act so as to give the Board the power to regulate these rates, does not in and of itself change the law. The Civil Aeronautics Board today has no authority to prescribe and regulate rates in international air transportation, or to approve conference or cartel agreements fixing or regulating such rates.

Neither does the Board have any authority to regulate frequencies of flights. In fact, the act specifically provides that—

No term, condition, or limitation of a certificate shall restrict the right of an air carrier to add to or change schedules, equipment, accommodations, and facilities for performing the authorized transportation and service as the development of the business and the demands of the public shall require.

I have quoted the exact language of the law of 1938.

Mr. President, so that Senators may have a complete understanding of this point, and may not be misled, let me point out that section 403 of the Civil Aeronautics Act permits the Civil Aeronautics Board to reject tariffs filed by air carriers in certain cases. But, Mr. President, that power to reject may be utilized only with respect to tariffs inconsistent with that section of the act, and with regulations of the Board issued thereunder. In other words, tariffs may be rejected only when they are not filed in the form required by regulations of the Authority, as in the cases when they are incomplete, or when they are improperly filed, posted, or published, or when they are otherwise incompatible with section 403 of the act.

The Board may not prescribe fares in any case, and may not reject tariffs solely because the Board considers them too high or too low.

I have stressed this point because it is important to understand that the Civil Aeronautics Board has no authority by law to prescribe or regulate rates or fares or the frequency of flights in international air transportation, or to approve any international agreement which does so.

Again departing from my prepared remarks, may I say that the law made this provision because we knew we were going into competition with the air lines of other countries, and we wanted to give a free hand to our people who flew the American flag in the air so that they might succeed, and so that the air commerce of America would not go down as did our sea commerce, time and time again, regardless of the money we appropriated to sustain it.

It must be obvious, therefore, that any purported agreement respecting minimum rates and fares, or frequency of operation, which has come out of the Bermuda Conference, is an agreement of curious invalidity, which no form or formality of approval by the CAB, or by the State Department, will cure.

Since the Civil Aeronautics Board has no authority to regulate such matters,

and since no other agency of our Government has such authority, any agreement which we enter into with a foreign nation respecting these matters is an agreement which we cannot perform. The only coercion which can be applied to American air lines to force their adherence to such an agreement, and their observance of it, will be the coercion which foreign nations may apply.

To say that any agency of our own Government can enforce such an agreement is to contend that the mere making of an agreement with a foreign government vests in the Civil Aeronautics Board or in the State Department powers which it does not by law possess.

This might be true if the agreement entered into should be a treaty obligation, for treaties become part of the supreme law of the land, and it might be argued that the Government, or some agency of the Government, must be presumed to possess the necessary powers to carry out treaty obligations.

In the case of the Bermuda Conference, however, no treaty is proposed. What is proposed is an Executive agreement. I do not believe anyone would seriously contend that an Executive agreement can confer any powers upon any agency of the Government. If such a contention should be made, I feel sure it would be vigorously resisted by most of the Members of this body. It is a well-established principle of law that an Executive agreement may only cover the exercise of powers already created and established by law.

Now, Mr. President, since it is clear that the Civil Aeronautics Board has no authority over rates, fares, and frequencies in international air transportation, it is obvious that adherence by the United States, otherwise than by treaty, to any agreement which would require the Board to exercise jurisdiction in such matters would be a fraud upon the other party to the agreement, and perhaps it is unjust to assume that the representatives of our Government in Bermuda would be a party to any such fraud. Doubtless the British are fully advised concerning the extent of the powers vested in the Civil Aeronautics Board.

But, Mr. President, if the British delegates and our own representatives at the Bermuda Conference understand that no such agreement as they are reported to have negotiated can be valid and binding, when what is the purpose of the Bermuda Conference? Is the whole thing just window dressing for an attempt to bring about, through government pressure, and by a show of authority not actually possessed, an assent by the American air carriers themselves to an agreement restraining them from making available to the American public any further benefits in the way of reduced fares? Is that the situation? If it is, what we have witnessed in Bermuda is an unholy spectacle indeed.

Mr. President, I have been ridiculed for warning, on this floor, that if we persisted in the policy enunciated by the Civil Aeronautics Board in the North Atlantic case we should eventually find ourselves either behind the eight ball of international power politics, or unwilling

participants in a shotgun wedding with foreign cartels. Mr. President, if the purpose of the representatives of our Government at the Bermuda Conference was not to negotiate for an invalid and unlawful agreement binding them to exercise authority which they do not possess, then clearly we have been witnessing the shotgun wedding of three American air carriers with a foreign cartel, and representatives of our State Department and our Civil Aeronautics Board have been helping to hold the shotgun.

Mr. President, I hope Senators will not dismiss this matter lightly on the ground that, after all, what is involved is only the question of whether the fare across the Atlantic by air shall be \$275 or \$375. Aside from the fact that very important principles are also involved, as I have tried to point out, it should also be remembered that the \$100 difference in fare relates to just one person, going one way. Remember that probably 80 percent of trans-Atlantic air travel will originate in the United States. Consider the fact that conservative estimates of the traffic on the North Atlantic air lanes predict a quarter million round trips per year. On that basis, Mr. President, this \$100 fare increase could cost the American traveling public \$40,000,000 per year.

Mr. President, it is discouraging, to say the least, to see representatives of the Government of the United States exerting their influence in aid of an agreement for the benefit of a foreign nation and in derogation of the interests of the American public.

I want to be fair, and so I will say that I have heard it said in extenuation of the weak-kneed and subservient attitude being taken by our State Department and by the Civil Aeronautics Board, that they have no other choice. I have heard it said that the British have us over a barrel because of the fact that unless we give them what they want, they can deny to American air carriers the right to land in the British Isles. I suppose the same thing could be said, and perhaps has been said, with regard to the French and their ability to prevent American air carriers from landing in France. However that may be, Mr. President, and whatever the rights of Great Britain and France may be in that regard, in the light of existing agreements and international comity, those who make that plea in extenuation overlook a basic and material fact. What they overlook is the fact that London and Paris are no longer, per se, the capitals of the world. London and Paris can become whistle stops or branch-line terminals on the international airways of the world if Great Britain and France elect to make them so.

We do not have to fly to London, or to Paris. Mr. Welch Pogue, Chairman of the Civil Aeronautics Board, has testified that 10 foreign countries are earnestly and ardently seeking the location in those countries of the terminals of United States air lines. We are in no danger of being denied access to the European Continent, or even to the British Isles. We can land in Sweden;

in Norway; in Belgium; in Ireland; in Spain; or in Italy.

It is my firm conviction that it means more to Great Britain to have United States air lines fly to London instead of to Ireland, than it means to us. Mr. President, we are being bluffed, in the best traditional British manner. We are being bluffed into a deal designed to tie the hands of American air carriers from now on. I say to the Senate we should call that bluff.

In spite of the weaknesses inherent in the present situation, fostered by the Civil Aeronautics Board, in which we are competing with ourselves as well as with foreign nations, our American-flag air lines might still have a chance to come out on top, or at least to hold their own against foreign competition, if they are given free and unhampered opportunity to pass on to the traveling public the savings which American efficiency and American know-how will make possible. But if their hands are tied, how can they possibly win?

Mr. President, the conference in Bermuda raises two points. One is the point of policy, what our national policy shall be, and who shall determine it. The other point is legality; the question of the legality or illegality of such an agreement as is now being considered at Bermuda.

It seems evident the time has arrived when the policy-making body of this Nation should have a voice in this matter. From the standpoint of sheer legality, the closest scrutiny should be given not only to the proposed Bermuda agreement, and to the implications of similar agreements to follow, but also to the attempt of agencies in the executive branch of the Government to usurp the policy-making function of the Congress with respect to international civil aviation. And with respect to our international aviation policy, the Congress should refuse longer to accept the ready-made edict of an administrative agency, or to tolerate the line-of-least-resistance reasoning of an appointed board, and should itself deal with this matter.

This is a job for the Congress, and for the Congress alone. Until the Congress has expressed itself, and has established our national policy with respect to international civil aviation, we have no such policy in the truest sense. At best, we can have only a de facto policy to be ascertained from the acts of our administrative and executive agencies and their officials. When the Congress has acted, and has established a policy, we shall know where we stand, and we shall have a yardstick to guide our dealings with foreign nations.

Mr. President, I have my own views on what our national aviation policy should be. Other Senators may have their own views. Members of the other House may view the matter in still a different light. But that is all the more reason why the Congress should act on this question, and determine it once and for all. When the Congress has established a policy, individual Members of this body, or of the other House, will be fully within their rights in working to change that policy, but not one of us would think of opposing it, while it remains the policy of the United States by

statutory enactment of the Congress. On the other hand, a Member of this body, or of the other House, is not only within his rights in opposing with all the force at his command the attempted illegal and improper exercise, by an executive agency of the Government, of powers constitutionally vested in the Congress; he is doing less than his sworn duty if he fails to oppose it.

FAIR EMPLOYMENT PRACTICE ACT

The Senate resumed the consideration of the bill (S. 101) to prohibit discrimination in employment because of race, creed, color, national origin, or ancestry.

Mr. WILEY. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield to the Senator from Wisconsin.

Mr. WILEY. Mr. President, I was interested the other day in looking up a little history on the subject of filibusters, and I wish to say a few words in relation to that subject.

One of Wisconsin's great statesmen was Senator Robert M. La Follette, Sr., who, when I attended law school, fought valiantly for those great issues for which he thought he should fight. In 1908 he engaged in a 28-day filibuster against the Vreeland-Aldrich currency law, and spoke on that occasion for 18 hours continuously. Our former colleague and friend the late Senator Norris, who departed this life several years ago, and who once sat in the seat immediately in front of me, in 1914 engaged in a filibuster for approximately 31 days on a bill proposing to repeal the act exempting American vessels in the coastwise trade from the payment of tolls for passage through the Panama Canal.

When the armed-ship bill came up in 1917 it was filibustered for 23 days. Engaged in that filibuster were Senator Robert M. La Follette, Sr., of Wisconsin, Senator Norris, Senator Clapp, of Minnesota, Senator Cummins, of Iowa, and others.

Thus one could go on through the years. In 1933 the antilynching bill was under consideration. Among those who filibustered on that occasion was the present Secretary of State, then Senator Byrnes.

The point on which I wish to speak for a few moments is this: When men, because of their convictions, fight valiantly for a cause, they should not be condemned. Senators will remember the general in the Battle of the Bulge in Belgium, when Hitler's troops unexpectedly smashed our lines. He was asked to surrender or die, and he said, "Nuts!" He was fighting for a cause. When Wainwright fought until his ammunition was gone, he was fighting for a cause.

The trouble is that when great causes are at stake smoke screens are thrown up. The purpose is to befog the issue. I question no Senator's right to filibuster. I have voted for cloture. In this instance I shall vote against cloture. Why? Because in my opinion this bill is a misnomer. It is like many other high-sounding quack bills.

This is my position on the bill:

(a) I am against the bill.

(b) I am against the move to muzzle my southern colleagues who have been speaking against this bill.

I have probed the very depths of my convictions and come to these inescapable conclusions. Why?

1. BECAUSE THIS BILL IS A MISNOMER LIKE SO MANY OTHER HIGH SOUNDING NEW DEAL QUACK BILLS. IT WOULD NOT CREATE FAIR EMPLOYMENT PRACTICES BUT RATHER WOULD STIMULATE UNFAIR EMPLOYMENT PRACTICES

This bill is supposed to prevent discrimination by employers of more than six people and by unions, against any individual because of his race, creed, color, or national ancestry. Actually it would discriminate against a man simply because he was a member of a majority rather than a minority.

Let us take a simple example. Say an employer hires a white man rather than a particular colored man merely because the employer believes the particular white man is more able. The employer has no prejudice, as he ought not to have, against the colored man, but bases his decision simply on the fact that the colored man has less ability than the white man whom he is hiring. But the so-called Fair Employment Practice Commission created by this bill could step in and say: "You must fire the white man whom you have just employed. You must hire the colored man. We have been reading your mind and believe that you acted against the colored man because of prejudice." The employer could protest against this ruling of the Commission until doomsday. He would have to fight out the order in the court if he were so inclined. He would be risking fine and imprisonment if the court did not sustain him.

Can anyone call that fair? Of course not. This would be unfair to the employer. It would be unfair to the white man. It would be unfair to the colored man, because he should be considered on his own merits rather than on the basis of some special privilege because of the fact that he is a member of a minority.

I have said that this high-sounding bill is a misnomer. All that glistens is not gold; a rose by any other name smells as sweet, but a skunkweed called a rose still has an obnoxious odor. Senators will remember the old German legend of the Lorelei about which Goethe wrote. The sirens combed their golden hair on the rocks and lured sailors to destruction. Let us beware of the siren voices of those who would lure us away from our free way of life.

So when great issues are debated the question is not that of calling names. On next Tuesday I expect to speak in Louisville, Ky., in memory of a great American. He said that he noticed, in the trial of a lawsuit, that when a lawyer damned his opponent it was clear evidence that he had a damned poor case of his own.

That is the point I am getting at. The issue here is simple. Would this bill, if it were passed, do the job? I am convinced that it would not do the job. This bill would create prejudice instead of ending it. The bill is one more example of the worship of legislation as a fetish.

2. THIS BILL WOULD CREATE PREJUDICE INSTEAD OF ENDING IT

Take the instance I have just cited. The employer would be prejudiced against all colored men simply because he had been forced by the Government to hire one against his will. So, too, the white man who had been deprived of his employment unjustly, although he was more able, would be prejudiced against the colored man. Obviously, then, this bill would make for prejudice instead of ending it.

Let me make clear that I am absolutely against prejudice of any kind or form. I believe that we are all children of the same God and that we should be considered on the basis of our own individual abilities and natures rather than on the basis of what our faith is or who our fathers were or what the color of our skin is.

I have worked with my fellow citizens of all races and all creeds and colors—Catholics, Protestants, and Jews, white and black, men of every nationality. I have never judged them on any basis other than the basis I myself want to be judged by; namely, the standards of honesty, of loyalty, of industry, of ability.

I repeat, I am absolutely against prejudice, and that is why I am against this bill, because it would create prejudice.

3. THIS BILL IS ONE MORE EXAMPLE OF THE WORSHIP OF LEGISLATION AS A PANACEA

For 13 years now the people have been fooled into making a fetish of legislation. We have tried to solve every problem by legislation, and it simply cannot be done.

We cannot legislate brotherhood. That is a matter of education, of understanding, of faith.

Instead of worshipping the idol of legislation, we ought to go out in our individual lives and make a contribution to human brotherhood by our own individual thoughts and deeds.

Let me take a few moments on that point. What do I mean? The first commandment is: "Thou shalt have no other gods before me."

Men have worshiped many gods—golden calves, material success, and power. In the past 12 years one of the fetishes that has become a golden calf among our people is the fetish of legislation. Pass a law to make John Jones, a criminal, into an angel, and how far do we get? Pass a law that yonder desk shall raise wheat, and how far do we get? Pass a law that 2 times 2 equals 6, and how far do we get? Pass a law which would change any natural, physical, or chemical law, and how far do we get?

This bill, I repeat, is one more example of the worship of legislation as a panacea, making a fetish, out of legislative process.

Mr. President, as I have said, I have no prejudice against any human being of any class. I come from a State where there is little or no prejudice. In the past we have seen the days of the Ku Klux, which burned itself out. In the past few years I have seen a Government agency put fear into the minds of men.

4. THIS BILL WOULD CREATE A SUPER GESTAPO IN EVERY CORNER OF OUR LAND, A GESTAPO WHICH WOULD DESTROY THE CONSTITUTIONAL RIGHTS OF AMERICAN CITIZENS, WHICH WOULD DRAIN THE FEDERAL TREASURY OF NEEDED REVENUE, WHICH WOULD MAKE LIFE MISERABLE FOR COUNTLESS EMPLOYERS, WHICH WOULD BE A DANGEROUS INSTRUMENT IN THE HANDS OF SPIEFUL AND VICIOUS INDIVIDUALS AND BUSINESS COMPETITORS

This bill would be a dangerous instrument for statism. By it, the State bureaucracy could get a stranglehold over big and little business. We know that there are many collectivists in our midst who would want to nationalize our industry. This bill would be an entering wedge for such nationalization. Surely, we have not forgotten how the bureaucratic agency known as WPA became mired deep in the muck of political activities. The same thing would probably happen to the FEPC. Such a situation must not be allowed to come to pass.

I invite attention to section 10-a of the bill which reads as follows:

The Commission is empowered to prohibit any person from engaging in any unfair employment practices. (a) Whenever it is alleged that any person has engaged in any such unfair employment practices the Commission or any referee, agent, or agency designated by the Commission which have power to issue and caused to be served upon such person a complaint stating the charges.

The bill defines unfair practices for the employer as refusing to hire or discharging any person or discriminating against any person in compensation or other terms of condition of employment on account of race, creed, color, nationality, origin, or ancestry. Cannot one see what this would lead to?

A spiteful individual having a grudge against a particular employer could go to the local gestapo. This spiteful individual could there lodge a complaint against the particular employer for allegedly practicing discrimination. This would start the whole complicated and costly legal machinery of the FEPC into motion. Who could foretell the eventual outcome? The employer might be forced into bankruptcy or into disrepute in his particular community. Yet in the long run he may be proved entirely innocent of the false charges against him.

If Senators could see the hundreds of letters which have come to my office from small businessmen in relation to OPA, they would appreciate the force of the point I am making. The letters have been written by men who during the war period have been striving to make ends meet. In some instances they have made minor mistakes, but Government agents, with no concept of the fact that they were agents and servants, have acted as though actuated by a master complex. Men have been filled with fear. They have been dragged into court and fined by the hundreds.

Senators will remember WPA. What a disintegrating influence that was upon the industry of the American citizen. We all know what it did to men who wanted to get a hold on the public faucet.

If we interpret the pending bill literally, it says, in substance, to any individual who employs six or more persons, "You must hire whom the Government

says." Would that help any group? Suppose A were not hired—call him black, white, Protestant, Jew, Catholic, or of any race—but suppose B were hired. Under the bill A would not even have to complain; anyone could file a complaint. When a complaint was filed, the machinery of government would begin to operate. Then what would happen? The employer would be summoned to appear. Suppose he had no prejudice, but suppose he were found by the Government agent to have prejudice. The bill contains no provision by which B would be taken care of. B would be let out. A would be put to work. How would the employer feel? How would you feel, Mr. President, if you were the employer?

But that is not all. What would happen to the employer who did not hire the worker whom the Government agent said he should hire? The employer could be dragged through the Federal courts. But suppose he had a competitor who wanted to put him out of business, and suppose complaints were filed repeatedly. Suppose a labor racketeer did not like the employer and kept on complaining, and suppose the agents of the Government continued to call at the employer's establishment and inspect his books, and suppose they continued to find him guilty of discrimination and continued to fine him. Mr. President, do you not see what I have in mind? In other words, this bill is not what it is called. It is not a fair employment practice bill. I am in favor of fair employment practices. Everyone knows that there is prejudice in the human breast, but no law-making body can legislate brotherhood any more than it can legislate love.

I need not discuss in detail the historical background of this matter. Never in the history of the United States, from the days of the founding fathers, was it contemplated that the Government should be able to tell an employer of six or more persons whom he should employ—except as a condition applying to a contract with the Government. Mr. President, if the Government can tell an employer of six or more persons whom he should employ, why should it not be able to dictate in the same way to an employer of only one person? If the bill is good as to those who employ six persons, why is it not good as to those who employ only one person? If the bill is passed, in a short time, it will be amended accordingly. If it could be found that that one person was incidentally engaged in interstate commerce, the employer of that person might be told whom he should employ.

I know there will be those who will say, "fascist." But that is no argument. There will be those who say that many of us are prejudiced against the Negroes. Mr. President, I have talked to the MuSo-Lit Club, here in this great city. I have never heard more beautiful language or finer expression of English. I have sat down at the table with black and with Jew. Why should I not? Am I any better than they? No.

I wish all America could get rid of prejudice and of the misrepresentation which has gone out over this great land of ours.

I wish our people—those who have telegraphed and written—would read the bill. The other night one person called me saying, "Pass the fair employment practice bill. Senator, I want you to vote for this fair employment practice bill."

I said to him, "Have you read the bill?"

"No," he said.

"And you are telling me to vote for something that you have not even read?"

"Yes," he said, "I am ashamed to say that is so. But I have heard over the radio and I have read in the columns of the newspapers that many men are against fair employment practices."

Mr. President, there is not a Member of the Senate who is against fair employment practices. But that is not the issue. The issue is, Does this bill provide for fair employment practices or, as I have said, is its title a misnomer?

5. A MOVE TO MUZZLE MY SOUTHERN COLLEAGUES WOULD BE UNTHINKABLE FOR ME BECAUSE I WOULD NOT VOTE FOR THIS BILL WHICH THEY ARE TRYING TO DEFEAT

Let me make this clear. I have voted for motions to end filibusters, the so-called cloture motions, in the past. I may vote for such cloture motions on other occasions and in respect to other bills in the future. But that is something which must be decided in each individual case. I cannot vote at this time for the cloture motion because I cannot vote for this bill.

There has been much loose talk against the filibuster as a parliamentary device. In the past the filibuster has often proven a valuable constitutional instrument for preventing the enactment of hasty, unseasoned, and ill-considered legislation. In view of all this, I must take my stand in opposition to the cloture motion and to this bill.

Mr. President, I feel that any move to muzzle debate by anyone on the floor of the Senate is unthinkable. There are many arguments pro and con. I have referred to some of the so-called greatest liberals and I have spoken of how they fought for their convictions. Is it wrong in the United States or anywhere else for men to have convictions and to fight and die for them? It was not so a few months ago on the battlefields of the world, and it will not be so again.

The Senate of the United States is made up of men, no two of whom have the same economic, political, social, racial, and geographical backgrounds. It is only natural, therefore, for these men to approach such a problem as the present one from different angles. I, who come from the Middle West, might not see the problem in the same light as would one who comes from New York City or the South. But I have to be guided by my own judgment.

This is no time to indulge in wordy warfare. Such a practice never leads to truth. Let me say that I credit every Senator with being honest. I do not question his motive or his judgment.

Please understand as I have said, that we all realize that in this great body there are no two men who have the same economic, social, political, racial, religious, and geographic backgrounds. If that be true, it manifestly follows that no two members of the Senate will take precisely

the same views on all subjects. Thank God for that, because here in the Senate we see in operation the fundamental American philosophy of the maintenance of a system of checks and balances. Under that system if there is a current running one way and if it has a tendency to go to extremes, someone checks it and sends it back in the other direction. We do not want to go away to the left; we do not want to go away to the right. We wish to preserve the Constitution and the Bill of Rights. We wish to preserve them, not so much for ourselves—because we shall have only a few years here and our voices will not long be heard—but for our children and grandchildren. We want them to have the same opportunities we have had.

Recently, I read a great book, *The Life of George Washington Carver*. No man, white or black, has done more for the South than that black man has. He infused into the economy of the South a new blood stream. When we read his book we understand how he did it. He did it by using his talents to develop new uses for the commodities already available to the South. He found hundreds of new uses for peanuts and various vegetables. He made tremendous contributions to the science of agriculture.

Likewise, we could speak of Booker T. Washington. He also made a great contribution. But a discussion of what he and other outstanding members of his race have contributed to the economy of the United States is really not relevant to this discussion. The point is, shall every employer of labor be put into a position where he can be hounded? Shall we create a government gestapo which will make life perfectly miserable for the men who produce and create and build? That is the issue.

Most of us remember the story of the old colored man who, during the depression, had no home to go to. He wandered up and down the highways and byways of the Southland. He had no place to rest his head. Mr. President, once there was a white man like that; He was called Jesus of Nazareth, and of Him it was said that He was so poor that He had no place to put his head.

This colored man roamed up and down the Southland. One day he was told, "Mose, you can go up there in that half-acre lot. There is an old shack there that you can live in." Mose went there, and he found that the shack was in very bad condition. The windows were broken, the shutters were about to fall off, the doors were falling off their hinges, and the roof was caved in. The half-acre lot was filled with stones, vines, and weeds. But Mose went to work. By the next spring, Mose had fixed up the little shack. He had put the doors back on the hinges; he had repaired the windows and the roof, and he had painted the little building. Roses were climbing over it. Out in the half-acre lot the weeds and rocks were gone. Flowers were blooming there. Just about then the old colored parson came by. He said, "Mose, you and the Lord is sure done a good job here." Mose replied, "Parson you should have seen it when the Lord had it alone."

Mr. President, that little story exemplifies a fundamental bit of America's success. That colored man, not by legislation but by work and industry, did the job. So in adherence to Christian principles, every individual recognizing that it is man's obligation not only to love his God, but to love his fellow man as well, will we find the proper solution. But when we are told from the housetops, by those who try to create schism and hatred, that the correct way is the legislative way, I have a conviction that says, "No; you cannot do it the legislative way."

It was work by Mose that eradicated the weeds; it requires work by each of us to eradicate prejudice.

CONCLUSION

I know, Mr. President, that my position in opposition to the FEPC will be misrepresented, that I will be denounced as having prejudice against my fellow citizens. But I hope through this statement that I may reach the minds of those fair-minded citizens who will clearly evaluate the reasons which I have presented.

May I say in conclusion that my own State of Wisconsin has considered legislation of this sort and after careful review has decided that such legislation would only serve to stimulate inequity, prejudice, and discrimination.

In the light of all this, I must take my stand in opposition to this unconstitutional, un-American, and prejudice-making bill.

The inalienable rights of American citizens have already been whittled away to a dangerous extent without any resultant good to the Nation. I cannot aid and abet that unconstitutional process. I shall do all that is within my humble power to reverse that process and restore to every American his full rights.

Mr. ELLENDER. Mr. President, just before the Senate recessed yesterday I was discussing the arrests which were made in the city of Cincinnati during the year 1938. I was attempting to show the difference between the number of arrests which were made in northern cities, and those which were made in southern cities. I presented facts which indicated that, although we in the South have a colored population which is 3 times greater than that in the North, yet the colored population of the North commit more crimes than are committed by the colored population residing in the South. I think that the comparison which I made between the cities of Washington and New Orleans should be studied in order that it may be seen that we in the South feel that we are more capable of handling the Negro problem than are the people in the North.

I now desire to continue to show the number of arrests which were made in the city of Cincinnati during the year 1939. It will be recalled that the crimes, a record of which has been made, include murder, manslaughter, rape, robbery, aggravated assault, burglary, larceny, and auto theft.

As I stated yesterday, in the city of Cincinnati the colored people constitute 11 percent and the white population 89 percent of the entire population; yet 11

percent of the colored people committed more of the crimes to which I have referred than did the 89 percent of the remaining population, or, in other words, the whites.

In the case of murder and manslaughter, the whites committed 12 such crimes during 1939 in the city of Cincinnati while the Negroes committed 36. Bear in mind, Senators, that the proportion of the population is 11 for the colored and 89 for the white. For the other crimes the figures are as follows:

Rape, whites 19, Negroes 12; robbery, whites 114, Negroes 158; aggravated assault, whites 40, Negroes 130; burglary, whites 284, Negroes 335; larceny, whites 662, Negroes 666; auto theft, whites 124, Negroes 57.

Rate per 10,000 population, whites 31, Negroes 290.

In other words, for each white man who committed a crime in the categories to which I have referred, 9.4 Negroes committed similar crimes in Cincinnati. The figures which I have given are for the year 1939, and it will be noted that the ratio as between colored and white runs pretty steadily in all the northern cities. Of course, there are some years in which the ratio is greater, just as in Cincinnati, but in most years the ratio is 1.7 to about 9 in the cities of Cincinnati and St. Louis, as I indicated yesterday.

Mr. President, I ask unanimous consent to have the table from which I have just read printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Arrests, city of Cincinnati, 1939

	Whites	Negroes	Total
Murder.....	12	36	48
Manslaughter.....	19	12	31
Rape.....	114	158	272
Robbery.....	40	130	170
Aggravated assault.....	284	335	619
Burglary.....	662	666	1,328
Larceny, theft.....	124	57	181
Automobile theft.....			
Total.....	1,255	1,394	2,649
Rate per 10,000 population.....	31	290	

Population:	
White (89 percent).....	403,112
Colored (11 percent).....	47,818
Total.....	450,930
Other.....	230
Total.....	451,160

Crime figures taken from the Annual Report of Division of Police, Department of Safety, City of Cincinnati, 1939.

Population figures taken from 1930 census (U. S. Bureau of the Census).

Mr. ELLENDER. I now have before me a table of the arrests made in the city of Cincinnati during the year 1940. I may state that the population ratio has changed somewhat, as indicated by the 1940 census. It will be recalled that according to the 1930 census the ratio was 89 to 11. For 1940 the whites constituted 87.8 percent of the entire population and the Negroes constituted 12.2 percent of the entire population.

In other words, there was a gain of approximately 1.2 percent. But that gain affected the ratio, it would seem,

only slightly. In examining the figures I note that the lowest ratio was 7.9.

I now read from the table of figures with reference to 1940.

Murder and manslaughter, whites 19, Negroes 33; rape, whites 25, Negroes 11; robbery, whites 95, Negroes 138; aggravated assault, whites 36, Negroes 119; burglary, whites 257, Negroes 267; larceny, whites 591, Negroes 675; auto theft, whites 98, Negroes 72.

Rate per 10,000 population, whites 16, Negroes 191.

Stated in another way, the figures show that each time a white person committed any of the crimes in the categories I have mentioned, Negroes committed 11.9 crimes, or, a ratio of almost 12 to 1.

Mr. President, I ask unanimous consent to have the table from which I have just read printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Arrests, city of Cincinnati, 1940

	Whites	Negroes	Total
Murder.....	19	33	52
Manslaughter.....	25	11	36
Rape.....	95	138	233
Robbery.....	36	119	155
Aggravated assault.....	257	267	524
Burglary.....	591	675	1,266
Larceny, theft.....	98	72	170
Auto theft.....			
Total.....	1,121	1,315	2,436
Rate per 10,000 population.....	16	191	

Population:	
White (87.8 percent).....	719,811
Colored (12.2 percent).....	69,315
Total.....	789,126
Others.....	183
Total.....	789,309

Crime figures taken from the Annual Report of Division of Police, Department of Safety, City of Cincinnati, 1940.

Population figures taken from 1940 census (U. S. Bureau of the Census).

Mr. ELLENDER. Mr. President, I have some figures relating to some of the southern cities. I do not mean to say that the white people of the South commit more crimes than do the white people of the North, or vice versa, but the ratio as between the whites and the Negroes in the southern cities, such as in New Orleans, and in Houston, has been about 1 to 2.1, or more. In other words, every time a white man committed a crime in the categories which are shown in the table from which I have read, 2.5 colored men committed similar crimes, and in the North the ratio runs as high as 13.6.

I shall now proceed with the figures for Cincinnati for the year 1941:

Murder and manslaughter, whites 18, Negroes 41; rape, whites 27, Negroes 21; robbery, whites 69, Negroes 203; aggravated assault, whites 49, Negroes 139; burglary, whites 167, Negroes 211; larceny-theft, whites 557, Negroes 638; auto theft, whites 118; Negroes 57.

Total, whites, 1,005; Negroes, 1,310.

In other words, the white population, constituting 87.8 percent of the whole, and the colored 12.2 percent, committed 305 less of the crimes than did the colored people.

The rate per 10,000 was, whites 14; Negroes, 190, or a ratio of 1 white to 13.6 colored.

Mr. President, I ask unanimous consent that the table be inserted in the RECORD.

The PRESIDING OFFICER (Mr. McFARLAND in the chair). Is there objection?

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Arrests, city of Cincinnati, 1941

	Whites	Negroes	Total
Murder.....	18	41	59
Manslaughter.....	27	21	48
Rape.....	69	203	272
Robbery.....	49	139	188
Aggravated assault.....	167	211	378
Burglary.....	557	638	1,195
Larceny, theft.....	118	57	175
Automobile theft.....			

Rate per 10,000 population.....	1,005	1,310	2,315
	14	190	

Population:	
White (87.8 percent).....	719,811
Colored (12.2 percent).....	69,315
Total.....	789,126
Others.....	183
Total.....	789,309

Crime figures taken from the Annual Report of Division of Police, Department of Safety, City of Cincinnati, 1941.

Population figures taken from 1940 census (U. S. Bureau of the Census).

Mr. ELLENDER. Mr. President, these figures are significant, and I hope the people of the country will study them. I have stated on this floor on many occasions that we of the South know how to handle the Negro. We of the South, I think, are better friends of the colored people than are the people of the North. If let alone, the progress of the colored people which we have maintained for the past 25 or 30 years will be continued. We were unable to do more because of our economic condition.

During my own lifetime I have seen gradual progress from year to year. There was a time in my State when there were no high schools for colored people, because we could not afford them, but today our whole State is dotted with them. We have several Negro colleges in the State, and we have provided for the colored by way of establishing throughout the State six fine hospitals, which are maintained by the State, and in all of them the colored people are treated to the same extent and by the same doctors as are the white people.

Mr. President, as I stated yesterday and the day before, I do not mean to say that if this bill were enacted it in itself would stop progress, but it would be a step in the wrong direction. We have been taking care of the situation in the South on a more or less voluntary basis. The bill if enacted would simply be a trouble maker, and would impede the fine progress of the white people of the South in their efforts to aid the colored people.

In my State there is no agitation among the colored people that I know of for a bill of this nature. It is brought forward by virtue of the "brain trust," as I stated, located here in Washington, composed of a few colored leaders, about 25, as I pointed out to the Senate day before yesterday.

These 25 colored leaders preach that they represent 13,000,000 of their kind.

If the truth were known, I doubt if as many as 1 percent of the colored people of the Nation know what all this is about. They are being mulcted out of fees here and there to maintain a lobby in Washington with a view of having certain legislation passed, or preventing certain legislation which may affect the colored race.

Many of my good colleagues, for whom I have much respect, are prone at times to listen to the wailing of some of the groups who are in Washington trying to agitate and threatening that unless so-and-so is done "we will remember you at the polls next November."

Mr. President, I shall continue with the figures as to arrests in the city of Cincinnati for the year 1942. I notice that the distinguished Senator from Illinois [Mr. LUCAS] is present, and Cincinnati happens to be quite close to his State. I tried to get figures for the city of Chicago, but I could not obtain them. I am satisfied that the figures as to the city of Chicago would probably be as bad as those with reference to the city of Cincinnati, or perhaps worse.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. LUCAS. Since the distinguished Senator from Louisiana has referred to the Senator from Illinois in speaking of certain conditions in Cincinnati, Ohio, I happen to notice the senior Senator from Ohio [Mr. TAFT] present in the Chamber. I think he lives in Cincinnati. If the Senator has anything he wishes to discuss with me about Chicago, I shall be glad to join in the debate with him.

Mr. ELLENDER. I hope the Senator will not misunderstand me. I merely mentioned the Senator's name to show that he was present. I called the attention of the distinguished Senator from Ohio to these figures yesterday, and we had a brief colloquy at that time.

Mr. LUCAS. As I understand, this is a filibuster, and it would not do any harm to call his attention to the same figures again.

Mr. ELLENDER. Not at all. As a matter of fact, I notice the presence of the distinguished Senator from California [Mr. KNOWLAND], who has been a constant attendant, and I commend him for it. Of course, I know he appreciates the great speech I am making, and I assume that is why he is present. I also notice that the Senator from Nebraska [Mr. BUTLER] is present, as well as the Senator from Ohio [Mr. TAFT], the Senator from Kentucky [Mr. BARKLEY], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Alabama [Mr. HILL], the Senator from Delaware [Mr. TUNNELL], and the Senator from New Mexico [Mr. HATCH].

Mr. HATCH. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield for a question.

Mr. HATCH. It was not necessary for the Senator to call my name today to do me the favor of showing that I was present. He did that yesterday.

Mr. ELLENDER. The Senator is correct. Of course, I know that many of

my colleagues are unable to be present because of the huge amount of work they have before committees. I realize that.

Mr. LUCAS. Will the Senator yield?
Mr. ELLENDER. I yield.

Mr. LUCAS. I merely wanted to say to the Senator that he is disturbing the Senator from New Mexico [Mr. Hatch] very much, because the Senator from New Mexico is writing a speech, and really the speech of the Senator from Louisiana is rather disturbing some serious thoughts on the part of the Senator from New Mexico. I know it will help the Senator from New Mexico to have the Senator from Louisiana conclude.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. BARKLEY. I should like to bring up a conference report at this time.

Mr. ELLENDER. Will the Senator permit me to get through with these figures? I have just a few more pages. It will take me but a few minutes.

Mr. BARKLEY. Very well.

Mr. ELLENDER. I now turn to the figures of arrests in the city of Cincinnati for the year 1942, with the population ratio the same, 87.8 percent white and 12.2 percent colored.

Murder and manslaughter, whites, 14, Negroes, 39; rape, whites, 23, Negroes, 23; robbery, whites, 72, Negroes, 162; aggravated assault, whites, 60, Negroes, 139; burglary, whites, 248, Negroes, 218; larceny-theft, whites, 539, Negroes, 534; auto theft, whites, 116, Negroes, 42.

Total: whites, 1,072; Negroes, 1,157.

Rate per 10,000 population: whites, 15, Negroes, 168; or 1 white to 11.2 colored.

I ask unanimous consent that the table be inserted in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Arrests, city of Cincinnati, 1942

	Whites	Negroes	Total
Murder.....	14	39	53
Manslaughter.....	23	23	46
Rape.....	72	162	234
Robbery.....	60	139	199
Aggravated assault.....	248	218	466
Burglary.....	539	534	1,073
Larceny, theft.....	116	42	158
Automobile theft.....			
Total.....	1,072	1,157	2,229
Rate per 10,000 population.....	15	168	

Population:
White (87.8 percent)..... 719,811
Colored (12.2 percent)..... 69,315

Total..... 789,126
Others..... 183

Total..... 789,309

Crime figures taken from Annual Report of the Division of Police, Department of Safety, City of Cincinnati, 1942.

Population figures taken from 1940 census (U. S. Bureau of the Census).

Mr. ELLENDER. Mr. President, I now turn to the figures for the city of Cincinnati for 1943.

Murder-manslaughter, whites, 19, Negroes, 30; rape, whites, 23, Negroes, 19; robbery, whites, 83, Negroes, 134; aggravated assault, whites, 72, Negroes, 119; burglary, whites, 390, Negroes, 245; lar-

ceny-theft, whites, 648, Negroes, 456; auto theft, whites, 116, Negroes, 43.

Total: Whites, 1,351; Negroes, 1,046.

Rate per 10,000 population: Whites, 19, Negroes, 151. The ratio is 7.9 Negroes to 1 white.

I ask unanimous consent that the table be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Arrests, city of Cincinnati, 1943

	Whites	Negroes	Total
Murder.....	19	30	49
Manslaughter.....	23	19	42
Rape.....	83	134	217
Robbery.....	72	119	191
Aggravated assault.....	390	245	635
Burglary.....	648	456	1,104
Larceny, theft.....	116	43	159
Automobile theft.....			
Total.....	1,351	1,046	2,397
Rate per 10,000 population.....	19	151	

Population:
White (87.8 percent)..... 719,811
Colored (12.2 percent)..... 69,315
Total..... 789,126
Others..... 183
Total..... 789,309

Crime figures taken from Annual Report of the Division of Police, Department of Safety, City of Cincinnati, 1943.

Population figures taken from 1940 census (U. S. Bureau of the Census).

Mr. ELLENDER. Mr. President, I may say that, as shown by the records I have which extend from 1936 to 1944, 1943 and 1944 are the only years in which the whites committed more crimes than did the Negroes; but the ratios were 7.9 colored to 1 white in 1943, as I have just indicated, and 8 colored to 1 white in 1944.

I shall now give the figures for arrests in the city of Cincinnati in 1944.

Murder and manslaughter, whites, 16, Negroes, 33; rape, whites, 40, Negroes, 24; robbery, whites, 82, Negroes, 94; aggravated assault, whites, 81, Negroes, 133; burglary, whites, 321, Negroes, 208; larceny and theft, whites, 681, Negroes, 511; auto theft, whites, 144, Negroes, 54.

Total of arrests in Cincinnati in 1944: Whites, 1,368; Negroes, 1,057.

Rate per 10,000 of population: Whites, 19; Negroes, 153; or on a ratio basis of 1 white to 8 colored.

Mr. President, I ask that the table showing the number of arrests in the city of Cincinnati in 1944 be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Arrests, city of Cincinnati, 1944

	Whites	Negroes	Total
Murder.....	16	33	49
Manslaughter.....	40	24	64
Rape.....	82	94	176
Robbery.....	81	133	214
Aggravated assault.....	321	208	529
Burglary.....	681	511	1,192
Larceny, theft.....	144	54	198
Automobile theft.....			
Total.....	1,368	1,057	2,425
Rate per 10,000 population.....	19	153	

Population:
White (87.8 percent)..... 719,811
Colored (12.2 percent)..... 69,315
Total..... 789,126
Others..... 183
Total..... 789,309

Crime figures taken from Annual Report of the Division of Police, Department of Safety, City of Cincinnati, 1942.

Population figures taken from 1940 Census (U. S. Bureau of the Census).

Mr. ELLENDER. Mr. President, that completes the picture insofar as the city of Cincinnati is concerned. I shall continue, since the Senator from Kentucky is not at the moment present on the floor, but I wish to say that I shall gladly yield to him when he returns, if thereby I do not lose my right to the floor.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. TAFT. I think the Senate majority leader is ready to proceed. If the Senator will yield to me for the purpose, I shall suggest the absence of a quorum.

Mr. ELLENDER. Mr. President, I yield for that purpose provided I do not thereby lose my right to the floor.

Mr. TAFT. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hatch	Myers
Austin	Hawkes	O'Daniel
Bailey	Hayden	Overton
Ball	Hickenlooper	Radcliffe
Bankhead	Hill	Reed
Barkley	Hoey	Revercomb
Bilbo	Huffman	Robertson
Bridges	Johnson, Colo.	Russell
Briggs	Johnston, S. C.	Saltanstill
Buck	Kilgore	Shipstead
Bushfield	Knowland	Smith
Butler	La Follette	Stanfill
Byrd	Langer	Stewart
Capehart	Lucas	Taft
Capper	McCarran	Taylor
Carville	McClellan	Thomas, Okla.
Cordon	McFarland	Thomas, Utah
Downey	McKellar	Tobey
Eastland	McMahon	Tunnell
Ellender	Magnuson	Tydings
Ferguson	Maybank	Walsh
George	Mead	Wheeler
Gerry	Millikin	Wherry
Gossett	Mitchell	White
Green	Moore	Wiley
Guffey	Morse	Willis
Gurney	Murdock	Wilson
Hart	Murray	

The PRESIDENT pro tempore. Eighty-three Senators having answered to their names, a quorum is present.

FULL EMPLOYMENT ACT OF 1946— CONFERENCE REPORT

Mr. BARKLEY. Mr. President, I ask the Senator from Louisiana to yield to me in order that I may submit a conference report on the full-employment legislation.

The PRESIDENT pro tempore. Does the Senator from Louisiana yield for that purpose?

Mr. ELLENDER. I yield with the understanding that I do not thereby lose my right to the floor.

Mr. BARKLEY. Mr. President, I submit a conference report which I send to the desk and ask to have read.

The PRESIDENT pro tempore. The report will be read.

The Chief Clerk read the conference report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 380) to establish a national policy and program for assuring continuing full employment and full production in a free competitive economy, through the concerted efforts of industry, agriculture, labor, State and local governments, and the Federal Government, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

"SHORT TITLE

"SECTION 1. This Act may be cited as the 'Employment Act of 1946'.

"DECLARATION OF POLICY

"SEC. 2. The Congress hereby declares that it is the continuing policy and responsibility of the Federal Government to use all practicable means consistent with its needs and obligations and other essential considerations of national policy, with the assistance and cooperation of industry, agriculture, labor, and State and local governments, to coordinate and utilize all its plans, functions, and resources for the purpose of creating and maintaining, in a manner calculated to foster and promote free competitive enterprise and the general welfare, conditions under which there will be afforded useful employment opportunities, including self-employment, for those able, willing, and seeking to work, and to promote maximum employment, production, and purchasing power.

"ECONOMIC REPORT OF THE PRESIDENT

"SEC. 3. (a) The President shall transmit to the Congress within sixty days after the beginning of each regular session (commencing with the year 1947) an economic report (hereinafter called the 'Economic Report') setting forth (1) the levels of employment, production, and purchasing power obtaining in the United States and such levels needed to carry out the policy declared in section 2; (2) current and foreseeable trends in the levels of employment, production, and purchasing power; (3) a review of the economic program of the Federal Government and a review of economic conditions affecting employment in the United States or any considerable portion thereof during the preceding year and of their effect upon employment, production, and purchasing power; and (4) a program for carrying out the policy declared in section 2, together with such recommendations for legislation as he may deem necessary or desirable.

"(b) The President may transmit from time to time to the Congress reports supplementary to the Economic Report, each of which shall include such supplementary or revised recommendations as he may deem necessary or desirable to achieve the policy declared in section 2.

"(c) The Economic Report, and all supplementary reports, transmitted under subsection (b), shall, when transmitted to Congress, be referred to the joint committee created by section 5.

"COUNCIL OF ECONOMIC ADVISERS TO THE PRESIDENT

"SEC. 4. (a) There is hereby created in the Executive Office of the President a Council of Economic Advisers (hereinafter called the 'Council'). The Council shall be composed of three members who shall be appointed by the President, by and with the advice and

consent of the Senate, and each of whom shall be a person who, as a result of his training, experience, and attainments, is exceptionally qualified to analyze and interpret economic developments, to appraise programs and activities of the Government in the light of the policy declared in section 2, and to formulate and recommend national economic policy to promote employment, production, and purchasing power under free competitive enterprise. Each member of the Council shall receive compensation at the rate of \$15,000 per annum. The President shall designate one of the members of the Council as chairman and one as vice chairman, who shall act as chairman in the absence of the chairman.

"(b) The Council is authorized to employ, and fix the compensation of, such specialists and other experts as may be necessary for the carrying out of its functions under this Act, without regard to the civil-service laws and the Classification Act of 1923, as amended, and is authorized, subject to the civil-service laws, to employ such other officers and employees as may be necessary for carrying out its functions under this Act, and fix their compensation in accordance with the Classification Act of 1923, as amended.

"(c) It shall be the duty and function of the Council—

"(1) to assist and advise the President in the preparation of the Economic Report;

"(2) to gather timely and authoritative information concerning economic developments and economic trends, both current and prospective, to analyze and interpret such information in the light of the policy declared in section 2 for the purpose of determining whether such developments and trends are interfering, or are likely to interfere, with the achievement of such policy, and to compile and submit to the President studies relating to such developments and trends;

"(3) to appraise the various programs and activities of the Federal Government in the light of the policy declared in section 2 for the purpose of determining the extent to which such programs and activities are contributing, and the extent to which they are not contributing, to the achievement of such policy, and to make recommendations to the President with respect thereto;

"(4) to develop and recommend to the President national economic policies to foster and promote free competitive enterprise, to avoid economic fluctuations or to diminish the effects thereof, and to maintain employment, production, and purchasing power;

"(5) to make and furnish such studies, reports thereon, and recommendations with respect to matters of Federal economic policy and legislation as the President may request.

"(d) The Council shall make an annual report to the President in December of each year.

"(e) In exercising its powers, functions, and duties under this Act—

"(1) the Council may constitute such advisory committees and may consult with such representatives of industry, agriculture, labor, consumers, State and local governments, and other groups, as it deems advisable;

"(2) the Council shall, to the fullest extent possible, utilize the services, facilities, and information (including statistical information) of other Government agencies as well as of private research agencies, in order that duplication of effort and expense may be avoided.

"(f) To enable the Council to exercise its powers, functions, and duties under this Act, there are authorized to be appropriated (except for the salaries of the members and the salaries of officers and employees of the Council) such sums as may be necessary. For the salaries of the members and the salaries of officers and employees of the Council, there is authorized to be appropriated not exceeding \$345,000 in the aggregate for each fiscal year.

"JOINT COMMITTEE ON THE ECONOMIC REPORT

"SEC. 5. (a) There is hereby established a Joint Committee on the Economic Report, to be composed of seven Members of the Senate, to be appointed by the President of the Senate, and seven Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives. The party representation on the joint committee shall as nearly as may be feasible reflect the relative membership of the majority and minority parties in the Senate and House of Representatives.

"(b) It shall be the function of the joint committee—

"(1) to make a continuing study of matters relating to the Economic Report;

"(2) to study means of coordinating programs in order to further the policy of this Act; and

"(3) as a guide to the several committees of the Congress dealing with legislation relating to the Economic Report, not later than May 1 of each year (beginning with the year 1947) to file a report with the Senate and the House of Representatives containing its findings and recommendations with respect to each of the main recommendations made by the President in the Economic Report, and from time to time to make such other reports and recommendations to the Senate and House of Representatives as it deems advisable.

"(c) Vacancies in the membership of the joint committee shall not affect the power of the remaining members to execute the functions of the joint committee, and shall be filled in the same manner as in the case of the original selection. The joint committee shall select a chairman and a vice chairman from among its members.

"(d) The joint committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings as it deems advisable, and, within the limitations of its appropriations, the joint committee is empowered to appoint and fix the compensation of such experts, consultants, technicians, and clerical and stenographic assistants, to procure such printing and binding, and to make such expenditures, as it deems necessary and advisable. The cost of stenographic services to report hearings of the joint committee, or any subcommittee thereof, shall not exceed 25 cents per hundred words. The joint committee is authorized to utilize the services, information, and facilities of the departments and establishments of the Government, and also of private research agencies.

"(e) There is hereby authorized to be appropriated for each fiscal year, the sum of \$50,000, or so much thereof as may be necessary, to carry out the provisions of this section, to be disbursed by the Secretary of the Senate on vouchers signed by the chairman or vice chairman."

And the House agree to the same.

That the title of the bill be amended to read as follows: "An Act to declare a national policy on employment, production, and purchasing power, and for other purposes."

ROBERT F. WAGNER,
ALBEN W. BARKLEY,
GEORGE L. RADCLIFFE,
ABE MURDOCK,
GLEN TAYLOR,
CHAS. W. TOBEY,
ROBERT A. TAFT.

Managers on the Part of the Senate.

CARTER MANASCO,
JOHN J. COCHRAN,
WILLIAM M. WHITTINGTON,

Managers on the Part of the House.

Mr. BARKLEY. I ask unanimous consent for the present consideration of the conference report.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate proceeded to consider the report.

Mr. BARKLEY. Mr. President, I wish to make only a brief explanation of the conference report, which has already been agreed to by the House of Representatives, and which I am anxious to have agreed to by the Senate. As Senators are all aware, the Senate passed Senate bill 380, known as the full employment legislation, in which it declared a national policy on the question of employment, provided for the creation of a joint committee of the two Houses, and undertook to set a goal for employment, and production, and purchasing power, in order that we might never again be caught in a widespread unemployment situation without some previous effort to avert it, and to provide a method by which it could be met, if we could not avert it.

The difference in philosophy between the Senate and House bills was very marked, and it was not an easy task to resolve the differences between the two bills. The House of Representatives had in a large measure discarded the Senate bill and had written an entirely different bill. In the declaration of policy the House had restricted the area of the bill very considerably. It declared it to be the responsibility of the Federal Government to take an interest in employment, to avert unemployment, but largely to solve it by public expenditure for the construction of public works such as highways, flood control projects, river and harbor improvements, and other similar projects authorized and appropriated for by Congress.

It was not an easy matter to compose the differences between the two Houses on the question of policy. The House objected to the expression "full employment" because it carried with it the implication that every single human being in the United States, who was out of work at any given time, would be afforded employment by the Federal Government. That was never the intention of the Senate in the use of the expression "full employment" because we all know that there will always be times when there will be some unemployment. There will be frictional unemployment and transitory unemployment arising from the fact that workers are passing from one job to another. There never can be a time when every available human being will have a job. The House conferees took the position that if we used the word "full" it would carry with it an implied guaranty on the part of the Federal Government that if there were not employment for everyone at all times the Federal Government would step in and provide employment by some method to be paid for by the public.

Another question arose with respect to the use of the word "assured." When we first began to consider this legislation, as it was originally introduced the word "guarantee" was used, which carried the same implication. In the Committee on Banking and Currency of the Senate the word "guarantee" was changed to "assured." In the conference the word "assured" seemed to carry with it in the minds of the House conferees the same implication which was originally carried

by the word "guarantee." So the House conferees would not agree to that word. The House conferees finally became convinced that in order to arrive at an agreement on the declaration of policy we would have to go further than merely declare the obligation of the Federal Government to spend money out of its Treasury to give people work in case of an emergency. So what we did was to write what I think is a better declaration of policy than was contained in either the Senate or the House bill. We shortened it very materially. Both in the House bill and in the Senate bill there were sections and subsections, and a great deal of repetitious language meaning the same thing. We worked out a declaration of policy which I think is much more easily understood, and which accomplishes the purpose of the two Houses and of the President in recommending the legislation. It is very brief, and I shall read it:

SEC. 2. The Congress hereby declares that it is the continuing policy and responsibility of the Federal Government to use all practicable means consistent with its needs and obligations and other essential considerations of national policy with the assistance and cooperation of industry, agriculture, labor, and State and local governments, to coordinate and utilize all its plans, functions, and resources for the purpose of creating and maintaining, in a manner calculated to foster and promote free competitive enterprise and the general welfare, conditions under which there will be afforded useful employment opportunities, including self-employment, for these able, willing, and seeking to work, and to promote maximum employment, production, and purchasing power.

So without using either the word "full" or the word "assured" we have written in the policy section language which it seems to me covers the entire scope and field within which the Federal Government might operate with all its policies, all its plans, and all its functions, in cooperation with industry, agriculture, labor, and State and local governments to create conditions under which maximum employment will be afforded—not only maximum employment, but maximum production and maximum purchasing power.

If we can by governmental policies create conditions under which those three things can take place, we shall have set a standard and a goal with respect to which I think no one can raise any serious objection.

The virtue of this section is that it is brief and covers the entire ground. It is free from subsections and long terminology which might be subject to misinterpretation. So I think the conferees really improved the declaration of policy, without yielding anything with respect to the obligation and responsibility of the Federal Government. The conferees have spelled out in that section what is equivalent to maximum possible employment, maximum production, and maximum purchasing power, all three of which must go together in order to afford what we have been pleased to call full employment.

The Senate bill provided, in section 3, that the President should make what was called a budgetary report to the Congress. The use of the word "budget"

made it possible to confuse the economic budget referred to in this legislation with the President's annual budget sent to Congress, upon which we base our appropriations and outline the financial requirements of the Government for the ensuing fiscal year. In that section also there was a large amount of what we found later to be unnecessary terminology. The House bill, instead of setting up a budget and requiring the President to send an economic budget to the Congress annually, or as often as he might see fit to do so, provided in section 3 for an economic report. It seemed to the Senate conferees that the use of the term "economic report," in order that it might be differentiated from and not confused with the President's annual budget message, was a better term than the term used in the Senate bill. So we have provided in section 3 for what we call an economic report from the President. We provide as follows:

SEC. 3. (a) The President shall transmit to the Congress within 60 days after the beginning of each regular session (commencing with the year 1947) an economic report (hereinafter called the "Economic Report") setting forth (1) the levels of employment, production, and purchasing power obtaining in the United States and such levels needed to carry out the policy declared in section 2; (2) current and foreseeable trends in the levels of employment, production, and purchasing power; (3) a review of the economic program of the Federal Government and a review of economic conditions affecting employment in the United States or any considerable portion thereof during the preceding year and of their effect upon employment, production, and purchasing power; and (4) a program for carrying out the policy declared in section 2, together with such recommendations for legislation as he may deem necessary or desirable.

In other words, under those categories in the third section of the conference report the President is to make an economic report to Congress, reviewing the conditions which have existed in the previous year, the trends in employment, production, and purchasing power currently, together with any prospective viewpoint with respect to employment, production, and earning capacity or purchasing power, and any recommendations he may see fit to make to Congress to carry out the policies set forth in section 2.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. May I ask if there was any discussion in the conference committee as to the interpretation to be placed upon the words "economic program of the Federal Government"? I have in mind the question of a public-works program, and I have also in mind that during the war the Federal Government really went into industry and competed with industry. I take it that the words "economic program" could not be interpreted to mean or to imply in the future, possibly, that the Federal Government would go into business and compete with industry, and that sort of thing. I judge, rather, that the activities of the Federal Government under the authority granted would be confined to public works.

Mr. BARKLEY. Mr. President, there was considerable discussion in regard to the whole scope of what the Senate in its bill called the President's budget message, and what the House of Representatives, in its amendments, called the President's economic report. The House of Representatives in its amendments and the House conferees at the outset of the conference took the position that the Federal Government's responsibility and obligation did not go beyond actual public works of the nature I have mentioned, namely, highways, river-and-harbor developments, flood-control works, public buildings and so forth. But it was the theory of the Senate bill, which the House conferees accepted, that beyond the mere expenditure of money from the Treasury, there is a field which envisages a greater obligation on the part of the Federal Government in coordinating its policies, performing its functions and carrying out its plans, always emphasizing, as the bill does, policies which are calculated to foster and promote private industry, the competitive system which we so frequently discuss. For instance, in connection with the policy of the Government, toward trade matters, and in cooperation with labor and with agriculture, with industry, and with State and local governments, there is a responsibility more or less of a moral nature which goes beyond the mere expenditure of money out of the Treasury for public buildings, river-and-harbor projects, and similar matters. But in the conference discussion it was at no time understood that the Government of the United States, as a matter of policy under the section declaring our purpose, was to embark upon enterprises competitive with private factories, and so forth.

Of course, that could not be done anyway, unless Congress authorized it. If there should occur, as there did in 1932, 1933, and the following years, an acute depression accompanied by widespread unemployment, Congress then would have to determine what its policy would be with respect to the expenditure of money. But I do not think the Senator from Massachusetts or the Senate or the country should consider the war period as an analogy to be used and considered in connection with our effort to bring about economic conditions which will foster and promote employment to the fullest possible extent and production and purchasing power to the fullest possible extent, which is the goal of this legislation.

The Senate provided for the creation of a joint committee, to be composed of Members of the two Houses, for the purpose of considering the recommendations of the President and the reports of the Commission or Board.

The fourth section, following provision for the four categories of things on which the President would make his economic report to the Congress within 60 days from the beginning of each session of the Congress, provides for the creation of a Council of Economic Advisers to the President. In arriving at the provisions for creation of that Board, we acceded very substantially to the provisions of the House amendments. We

finally agreed that there should be created in the Executive Office of the President a Council of Economic Advisers whose duty it should be to advise the President in connection with the preparation of his economic report to the Congress, that the President should appoint the three members of the Council by and with the advice and consent of the Senate, and that they should be persons who would be exceptionally qualified to analyze and interpret economic developments, to appraise the programs and activities of the Government in the light of the policy declared in section 2, and to formulate and recommend a national economic policy to promote employment, production, and purchasing power under free competitive enterprise. It is provided that the salaries of those outstanding men shall be \$15,000 a year, because as we all know the Board must have excellent men if it is to function as it is expected to function in advising the President with respect to economic conditions and trends of employment and production and purchasing power, all of which we wish to have considered together, for all through the bill we have linked the questions of employment, production, and purchasing power, which we think must go together in order to bring about the economic conditions under which competitive enterprise may give the highest possible maximum of employment, as a result of the necessity for production and purchasing power.

Mr. SMITH. Mr. President, will the Senator yield for a question?

Mr. BARKLEY. I yield to the Senator from New Jersey.

Mr. SMITH. I have been considerably troubled by finding at some of the committee hearings which have been held that occasionally there is great diversity between the evidence given as to levels of employment, numbers of employees, and so forth. I am interested in knowing whether the members of the economic council would be the ones to determine what were the accurate figures in such respects, so that there would be no dispute.

Mr. BARKLEY. I can say to the Senator that it was the purpose of both the House of Representatives and the Senate, after getting together and in the process of getting together, to provide for the creation of a board whose members, by reason of their character and experience and training, would be able to report to the President accurate figures with respect to employment, unemployment, and all related subjects bearing on the problem we are seeking to solve. Whether anyone or any board can be accurate down to knowing about the last man who is unemployed, I suppose none of us knows, and none of us would be so exacting as to expect that. But the Board is to be set up to advise the President regarding all the conditions upon which he is to be required within 60 days from the beginning of each session of Congress to make his economic report to the Congress. We also have provided that the reports, as well as the recommendations made to the President, may become available to the joint committee which would be set up, for its information and benefit in

determining both the facts relative to and the wisdom of any legislation or any policy which might be brought before it for consideration.

Mr. SMITH. The economic report probably would be based, would it not, on the recommendations of the council?

Mr. BARKLEY. Yes.

Mr. SMITH. I am troubled by the fact that at our hearings we have frequently found differences of opinion in regard to what are the accurate figures. There have been differences between the figures submitted by the Department of Labor and the figures submitted by various other organizations. I am wondering whether it will be possible for us to satisfy the public as to what the trends are by providing for the creation of this Commission.

Mr. BARKLEY. It is true, as the Senator from New Jersey has said, that divergent figures have been given by the Bureau of Labor Statistics of the Department of Labor and various other organizations, through their boards and committees, and at any given time there has been a divergence of opinion as to the number of persons employed and the number of persons unemployed. We have provided for the creation of this Board and we have provided, we hope, for payment to its members of sufficient compensation to justify the employment and service of the best qualified men in the country to perform that task—to gather the facts and make the information official and to be as nearly accurate as any board composed of human beings can be.

Mr. SMITH. It would be a clearing house for such information, would it not?

Mr. BARKLEY. Undoubtedly.

Mr. SMITH. I thank the Senator.

Mr. BARKLEY. Because, of course, in arriving at their figures they would consult all elements in the country—industry, labor, and all other elements, as well as Government and State agencies.

Mr. SMITH. I thank the Senator.

Mr. BARKLEY. In discussing the next provision of the conference report, let me state that the Senate may remember that, in the Senate bill, provision was made for the creation of a joint committee of 30 members, 15 of them to be selected from the Senate and 15 to be selected from the House of Representatives. The House of Representatives provided in its amendment that the persons appointed by the Speaker should be the chairmen of various committees, as set out in the House amendment.

One of our first conclusions was that a joint committee of 30 would be entirely too large, and, then, there is always a question as to the efficacy of joint committees in dealing with legislation. We have had some unfortunate experiences in the Congress with respect to the creation of joint committees dealing with many subjects. We felt that there should be a joint committee of the two Houses to function in receiving and appraising the economic reports which, from time to time, the Congress will receive from the President and, through him, from the economic board which will be created. So we agreed upon a reduction of the number of members of

the joint committee from 30 to 14—7 to be selected from each House of Congress, the members selected to be appointed by the Presiding Officer of each House. We did not designate any committees from which he would appoint them, so he will be able to make his selections from the entire membership of the House concerned. We did provide that the respective party membership of the committee members from each House should be as nearly as possible in proportion to the majority and minority representation in each House. So we have reduced the number of members of the joint committee and we have made provision that the Speaker of the House and the Presiding Officer of the Senate shall have a free hand in making appointments to the joint committee.

In the main, those are the provisions of the conference report. We have shortened the bill very materially. We have made it simpler, without eliminating anything essential to the attainment of the goal of the highest possible maximum of employment of which our country and our economic system are capable.

Mr. President, I wish to say that the conferees from both sides of the Chamber, both Democratic and Republican, represented as far as possible the attitude of the Senate. Of course, the House conferees felt that it was their duty to represent the viewpoint of the House. But we eventually came to the conclusion that in view of the different philosophies of the two bills it was necessary to make concessions on both sides in order to arrive at a satisfactory conclusion. After we had discussed the matter for many days, the light began to break. The House conferees and the Senate conferees were very cooperative and very sincere in their effort to bring about legislation which would foster the highest possible employment, and link it up with production and purchasing power, all of which must go together in order to afford employment to the largest number of available persons throughout the country. So, by incorporating in section 2 of the bill the language, "for the purpose of creating and maintaining, in a manner calculated to foster and promote free competitive enterprise and the general welfare, conditions under which there will be afforded useful employment opportunities, including self-employment, for those able, willing, and seeking to work, and to promote maximum employment, production, and purchasing power" we feel that we have gone as far as possible, and as far as we should be required to go in providing what may be called full employment. If there are any persons in this country who are unwilling or unable to work, this bill is not intended for them. The bill is intended for those who are willing, and able to work, and are seeking employment.

Mr. CORDON. Mr. President, I congratulate the conference committee on the job which it has done. I hope that the joint committee provided for in the conference committee's report will be as successful in performing the job assigned to it as the committee of conference has been in the task it has completed. However, that is beside the point.

Mr. BARKLEY. Mr. President, on behalf of the conferees I wish to thank the Senator for his generous comment.

Mr. CORDON. I note that the bill provides for a council of economic advisers to the President to consist of three members. I wonder if perhaps the conference committee had in mind the three great divisions of effort in this country, namely, agriculture, management or industry, and labor, and that perhaps it had the thought that in selecting the members of the council the President might be able to place upon it men each of whom would be well versed in one of the great divisions of effort to which I have referred. It would appear that if that were done, it would be a consummation devoutly to be wished.

Mr. BARKLEY. Mr. President, the conferees discussed the very question to which the Senator has referred. Inasmuch as the council was to be within the executive department for the purpose of assisting the President in arriving at conclusions, after all the facts had been assembled on which he would base his report, it was felt that a council consisting of three members would be sufficient. We also discussed whether we should set out in the statute a provision that the President should make the appointments from three groups. We decided that if the law were to make it mandatory for the President to appoint a representative of each of the three groups, the appointees would automatically consider themselves as spokesmen and representatives of their respective groups, and that it would be more difficult for them to arrive at a consensus of opinion if they were made to believe they were acting merely as representatives of their respective groups.

Therefore, we left the President's hands free in looking over the country and in selecting men of experience and vision when making such appointments. The idea of the conferees was that in making these appointments without designating the appointees as representatives of groups, the President would choose men who would be able to speak in a broad way for all the people, and at the same time have adequate knowledge with reference to any particular segment of the population.

Mr. CORDON. Mr. President, I am in entire accord with the Senator's view that the President should not be limited in his selections. I hope, however, that the President will have in mind the three great economic divisions when he makes his selections.

Mr. BARKLEY. I thank the Senator.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TAFT. Of course, practically, these appointees would have the rank of cabinet officers.

Mr. BARKLEY. Yes.

Mr. TAFT. And while they might tend to represent one or another of the groups I should hope that they would be of such broad experience and knowledge that they would not be merely representatives of any particular group.

Mr. BARKLEY. The Senator is correct, and what he has stated was the

feeling of the conferees. It was hoped that the appointees would be men of such outstanding ability and experience that they would be representing the whole country, and at the same time bring to the service of the council whatever experience they may have had in their respective callings.

Mr. CORDON. Mr. President, I am in accord with the views of the Senator from Ohio. I did not intend to convey in my brief remarks the suggestion that each of the members of the council should represent one of the great segments of effort in this country, but, rather, that it might be possible that one of them would be well versed and well informed with reference to one of the three great divisions of effort, so that the three would bring full and broad information with reference to the questions which might come before them.

Mr. BARKLEY. That was our viewpoint, and I think it was the unanimous viewpoint of the conferees on both sides.

Mr. President, that is all I have to say.

Mr. TAFT. Mr. President, as a member of the conference committee, and as one who has been struggling with the bill since last August, I am very glad to urge Members of the Senate on this side of the aisle to vote in favor of the conference report. I believe that if the bill had contained originally what it now contains it would have been passed by both Houses of Congress in one month. There is now nothing in the bill to which any Member of the Congress should take exception. I think the Senate conferees did the best they could do with the bill which had already been extensively modified in the Senate, but the House took the attitude, practically, that it would not make any substantial change, and that if we wanted any bill at all we had to agree substantially to this bill. So far as I was concerned, I was glad indeed to do so.

The conferences which were held by the conferees were fairly numerous. First of all, we were doubtful about the words "full employment." I voted rather reluctantly for the bill which finally passed the Senate, although it contained the words "full employment," because of the testimony of many persons who stated that although the words "full employment" were used, the bill did not mean exactly that. It was stated that always there are people who do not wish to work, and therefore "full employment" means only substantially full employment. I was willing to accept the change of language, and I did so. Therefore, there is now no full employment bill, and the bill which we now have before us allays all the fears of those who thought that the actual conditions were being misconstrued.

In the second place, the bill which passed the Senate contained the words "the right to work." From the beginning a violent controversy took place in the Senate as to whether there was such a thing as a right to work. It seemed quite obvious that under our economy there was no legal right to work. I voted for the bill in a slightly modified form, because the authors of the bill explained

that they did not mean to construe its language as a legal right to work, that that was not the meaning, and that it should not be so construed. So I took their word for it, although it seemed to me it was somewhat ambiguous, and we might be accused of fooling the people.

Those who have any doubt on that score may eliminate their doubt, because there is no right to work provided for anywhere in the conference-report bill.

The third controversy that arose, both in the committee and in the Senate, was over the word "assurance" or "guaranty" by the Government of a job. The distinguished Senator from Maryland (Mr. RADCLIFFE) was particularly concerned about such an assurance, which he thought could not be given by the Government as a practical matter, even if it wished to do so, and it would only be misrepresenting the situation if it were claimed such assurance was given.

Anyone who has any fear on that score need not vote against the conference report on that ground, because the word "assurance" is completely eliminated from the bill, and by the bill there is no longer any assurance of any kind pinned on the Government.

The original bill contained one thing about which I was most concerned, the provision embodying the so-called compensatory spending theory, by which we would figure up the number of jobs there would be—60,000,000 jobs—and how much income would be required to provide for them—\$20,000,000,000. Then, if we found we were not going to get the money, a program was provided to make up the difference, the so-called compensatory spending theory. To some extent the Senate modified that provision by adopting my amendment proposing that if a spending plan were presented, a tax plan should be presented along with it to take care of it. It was not in very satisfactory language, but no one need be concerned any longer, because there is no provision for the compensatory spending theory, no suggestion in the bill anywhere that the Federal Government has to balance its budget to cover the difference caused by spending anywhere from five, to ten, to twenty billion dollars, as might be necessary to meet the calculations which were required by the original bill.

A national-budget idea suggested the same thought, and while I voted for the bill with the national-budget provision in it, I have some doubt as to the wisdom of the suggestion of a spending program to make up the so-called deficit in the Budget. Anyone who is concerned about that can be completely at ease, because the words "national budget" are completely eliminated from the bill, and all that is provided for in the bill is an economic report.

I do not think, either, that the Republicans on this side of the aisle need fear voting for the report because of apprehension that it might be construed as a victory for President Truman, because President Truman endorsed first the original bill containing all the provisions which have been completely eliminated.

Then in his message of September 6, he said he wanted—

A national reassertion of the right to work for every American citizen able and willing to work—a declaration of the ultimate duty of Government to use its own resources if all other methods should fail to prevent prolonged unemployment. These will help to avert fear and establish full employment. The prompt and firm acceptance of this bed-rock public responsibility will reduce the need for its exercise.

Full employment means full opportunity for all under the American economic system.

The "full employment" is eliminated, the "national reassertion of the right to work" is eliminated, and the bill does not bear any resemblance to the bill which was originally recommended.

On January 3 the President said:

A satisfactory full employment bill was passed by the Senate. Another bill was passed by the House of Representatives which is not at all acceptable, and which does not accomplish any of the purposes sought.

There is a slight variation in the conference report bill from the House bill, but it is so slight that it can hardly be recognized. So that we regretfully gave up the full employment, we regretfully gave up the right to work, we gave up the assurance, but I am afraid that the President will have to accept a bill which is substantially the House bill, which he disapproved so strongly on January 3.

So I do not think any Republican need fear voting for the bill because of any apprehension that there is a victory in the passage of the full employment bill, because there is no full employment bill any more. The bill is one which I would have supported from the beginning. It is a bill which provides in effect that the Government shall take thought and shall provide the machinery for eliminating economic depression.

We create a Commission of three, who will have the duty of studying economics, determining how the law can be carried out, and making their report, and we declare a general policy of the Government to use all its means to bring about a prosperous condition so that people looking for work may expect to find work.

As I have said, if that had been the original character of the bill, I would have supported it from the beginning, and I think we would have passed the bill immediately with whatever good effect on the morale of the country we might have expected to obtain by the passage of the bill.

For the reasons I have stated, Mr. President, I very strongly hope that the Members of the Senate on this side of the aisle will support the conference report.

Mr. MURRAY. Mr. President, a little more than a year ago, a group of Senators joined me in sponsoring legislation to commit the Federal Government to a policy of maintaining full employment in a free competitive economy. At that time, we were still engaged in all-out war against the Axis Powers—Germany, Italy, and Japan. The Normandy beach-head had already been established, and the prospects for eventual victory seemed quite certain. We were looking forward to what might happen in America following the inevitable day of victory.

During the course of the war, America had built up the greatest productive machine in history, and a period of great industrial and business expansion seemed certain to follow our expected military success.

We were confronted, however, with the disturbing record of recurring booms and depressions in our somewhat imperfect economy. We had learned that unless something could be done to influence the operations of the so-called business cycle, we would again be certain to experience a postwar boom followed by an unprecedented collapse. We knew that a repetition of the depression which followed in the wake of the last war would again bring widespread unemployment and frustration to millions of our citizens, wrecking the hopes of our veterans, and perhaps undermining faith in the capitalistic system throughout the world.

We could not agree with those who, looking ahead into the future, undertook to bolster their courage with the notion that if we maintained a nicely balanced Budget to keep business from losing confidence, Government relief and charity would see us through.

We could not agree with those who maintained that depressions were inevitable in a free society, and that without regimentation and loss of our freedoms nothing could be done to maintain continuing employment opportunities for our growing population.

It was then our conviction, Mr. President, that the welfare of American business, American farmers, American workers, and American veterans depends more than anything else upon whether or not the Federal Government shall assume the responsibility for maintaining a balanced economy and conditions of full employment in our country. Every practical businessman knows that unless the Government develops a positive and far-sighted economic program, business operating as in the past cannot by itself maintain continuous employment opportunities for workers.

During the 1920's the Government had failed to recognize its responsibilities in this respect. Instead of providing a program designed to level off the peaks and valleys in industry, commerce, and agriculture, the Government in that period, adhering to *laissez faire* principles, gave business a free rein to manage our economy. Our productive capacity during that period was expanded at a tremendous rate—with fabulous profits and high savings for a favored section of the Nation, and no attempt to maintain a general purchasing power in the hands of the people. The inevitable result was the great depression starting in 1929, which created widespread bankruptcy and destitution—all but wrecking the capitalistic system.

Mr. President, it was our conviction in sponsoring this legislation that a full employment program on the part of the Government is essential to the preservation of free enterprise. Any failure in this responsibility will be certain to threaten our system of free enterprise as well as our political system upon which it is based.

During the last depression, our economy had failed to provide for a third or more of our people. It failed to provide these people with jobs and hence failed to provide them with a livelihood. A situation was thus created in which millions of our citizens were forced to become more interested in obtaining the wherewithal for food, clothing and shelter than in maintaining the system which meant so little to them.

With all these considerations in mind, we drafted a bill designed to provide a framework within which the Federal Government at the end of the war could develop and administer a program of full employment and full production.

Upon introducing this bill on January 22, 1945, I made the following statement:

In the past, we have made many attempts to grapple with the problem of unemployment. But we have lacked the essential weapons to deal with this problem effectively. We have never had a consistent and openly arrived at national policy on employment. We have never had a businesslike method of appraising the operations of our economy and our Government. We have never had a real understanding of the economic responsibilities of the President as Chief of the executive branch, and of the Congress of the United States.

The proposed full employment bill supplies us the three elements we have lacked in the past.

First, it establishes a national policy on the maintenance of employment opportunities. Second, it creates a budgetary system to appraise the operations of both the national economy and the Government. Third, it defines the economic responsibilities of the President and the Congress.

These three elements, when added together, provide the opportunity for full and wholehearted cooperation between industry, agriculture, labor, State and local governments and the Federal Government—the cooperation which is essential to our hopes and plans for a stronger and better America.

THE ORIGINAL BILL

At the time of introduction, this legislation was cosponsored by the Senator from New York [Mr. WAGNER], the Senator from Utah [Mr. THOMAS], the Senator from Wyoming [Mr. O'MAHONEY] and myself. A few months later, the following group of distinguished Senators from the minority party offered certain amendments and joined in the sponsorship of the bill: the Senator from Oregon [Mr. MORSE], the Senator from New Hampshire [Mr. TOBEY], the Senator from Vermont [Mr. AIKEN], and the Senator from North Dakota [Mr. LANGER].

In the House of Representatives, the bill was sponsored by the distinguished chairman of the House Committee on Small Business [Mr. PATMAN], and cosponsored by a group of 115 Members of the House. As in the Senate, a number of the House sponsors were Members of the minority party.

From the day this bill was introduced, it has been bitterly opposed by those extremists who fight every advancement which has been proposed to make our economic system work in the interests and welfare of the whole people. Special lobbyists were rushed to Washington to work against the bill. An organized letter-writing campaign was initiated to misrepresent the bill in the eyes of the

Congress. Scores of pamphlets and brochures denouncing the bill were printed and distributed widely.

Despite this barrage of propaganda and great expenditure of money, the bill evoked enthusiastic and widespread support. Far-sighted businessmen, economists, mayors, governors, religious leaders, farm leaders, representatives of organized labor—all joined in publicly recognizing that the principles of the bill provided an indispensable foundation for an intelligent program to provide employment opportunities for all who are willing and able to work.

The bill was officially endorsed by a large group of American organizations. I offer but a partial list of such organizations, as follows:

The American Federation of Labor; Railroad Labor Executives Association; Congress of Industrial Organizations; United Mine Workers; American Association of Social Workers; American Jewish Congress; Americans United for World Organization; American Veterans Committee; Brotherhood of Maintenance of Way Employees; Brotherhood of Railroad Trainmen; Business Men of America, Inc.; Central Council of American Rabbis; Council for Social Action of the Congregational Christian Churches; Disabled American Veterans; Hosiery Wholesalers National Association; Independent Citizens' Committee of the Arts, Sciences, and Professions; League of Women Shoppers; Methodist Federation for Social Service; National Association for the Advancement of Colored People; National Catholic Welfare Conference; National Conference of Jewish Women; National Consumers League; National Council of Negro Women; National Council of Scientific, Professional, Art, and White Collar Organizations; National Council for the Social Studies; National Education Association of the United States; National Farmers Union; National Grange; National Lawyers' Guild; National Urban League; National Women's Trade Union League of America; Non-Partisan Council of Alpha Kappa Alpha; Southern Conference for Human Welfare; Synagogue Council of America; Union for Democratic Action; United Christian Council for Democracy; United Council of Church Women; United States Conference of Mayors; and the United Steelworkers of America.

I cannot at this time attempt to review the long and detailed history of this legislation as it has progressed through the two Houses of Congress.

Let me merely state that after careful hearings and intensive consideration by the Senate Banking and Currency Committee, under the able leadership of the distinguished Senator from New York [Mr. WAGNER], the bill passed the Senate on September 28, 1945, by a vote of 71 to 10.

THE SENATE BILL

Let me briefly review the basic provisions of the Senate bill.

The declaration of policy, set forth in section 2, provided the following:

First, the objective of full employment—which was defined in terms of

employment opportunities for all who are able to work and seeking work;

Second, a declaration of the Federal Government's responsibility for assuring full employment;

Third, a declaration that all Americans able to work and seeking work are entitled to an opportunity for employment;

Fourth, a requirement of a consistent and carefully planned economic program;

Fifth, the policy of providing whatever Federal investment and expenditure might be needed, as a last resort, to achieve full employment; and

Sixth, the policy that the full employment program should aim at expanded foreign trade without economic warfare.

In section 3, the Senate bill provided for an annual Presidential message to Congress, to be called the National Production and Employment Budget. This message was to contain the following:

First, economic goals on employment, production, and consumption;

Second, an appraisal of current and foreseeable trends on employment, production, and consumption;

Third, a review of the Government's economic program during the preceding year and of its impact upon economic trends; and

Fourth, a general program for achieving the desired goals.

In section 4, the Senate bill dealt with the preparation of the President's message. This section left the question of administrative machinery entirely to the discretion of the President but merely provided consultation with the heads of departments and agencies. It also provided for mandatory consultation with industry, agriculture, labor, consumers and State and local governments and authorized the creation of whatever advisory committees might be needed for this purpose.

In section 5, the Senate bill set up a joint committee to analyze the President's message. This committee was to be composed of 15 Members from each House, to be selected at the discretion of the President of the Senate and the Speaker of the House of Representatives.

As compared with the original measure, the Senate bill was in some respects weakened. In other respects it was strengthened. All in all, it was a good measure and a credit to the Senate.

THE HOUSE BILL

In the House of Representatives the bill did not fare so well. The House Committee on Executive Expenditures reported out a substitute measure which was totally inadequate.

On the floor of the House there was no record vote through which the Members of the House could express themselves on the merits of the Senate bill, and the proposed substitute was accepted. After this action by the House, President Truman wrote to the chairman of the Senate conferees, the Senator from New York [Mr. WAGNER], and the chairman of the House conferees, Mr. MANASCO, and expressed his preference for the Senate bill. I and the other sponsors of the measure fully agreed with the President's position. In fact, I have always maintained that it would be better to have no legislation whatso-

ever than to have enacted into law this wholly inadequate measure proposed by the House.

The conference committee wisely rejected the House measure and worked out a bill of its own.

THE FINAL ACT

Now we have before us the bill as reported by the Senate and House conferees. It is for us to consider whether or not this bill should be accepted and approved.

On the day that the conference bill was made public I expressed my great disappointment that the basic concepts of the bill were not set forth in more clear-cut and vigorous language. However, it seemed to me that the conference measure, as explained by the distinguished leader of the majority in submitting the conference report, contained all the essentials of a full employment program, which, if properly and firmly administered, would constitute a real contribution to the successful operation of our economic system.

First of all, the conference bill declares a full employment policy. The House conferees succeeded in eliminating from the bill the words "full employment" and other forthright language. They did not succeed in eliminating the fundamental concept that the Federal Government has the ultimate responsibility for creating and maintaining conditions of full employment.

Second, the bill provides an employment, production, and consumption budget. The term "national production and employment budget" was eliminated and the term "economic report" used instead. However, the content of the national production and employment budget has not been changed in any material fashion.

Third, the bill accepts the House recommendation that a Council of Economic Advisers be established to help the President discharge his responsibilities under the act. At the same time the House provisions were substantially improved.

Fourth, the bill follows the line of all previous versions and sets up a Joint Committee on the Economic Report. In my opinion, the conference provisions on the joint committee constitute an important improvement over previous versions.

I should like to take this opportunity to congratulate our distinguished majority leader, the Senator from Kentucky who served as chairman of the conference committee in the absence of the able Senator from New York (Mr. WAGNER), who has contributed so much to the handling of this bill in the Senate. Despite his other duties as majority leader, as chairman of the Pearl Harbor Investigating Committee, and as ranking member of many other important Senate committees, the Senator from Kentucky accepted the responsibility of serving as chairman of the conference committee and devoted two continuous weeks to detailed and intensive work on the bill that is now before us.

When the conference committee started its sessions, there were many who were firmly convinced that no adequate

bill could be developed which would be acceptable to the House conferees. I, for one, doubted that it could be done. The fact that it has been done is eloquent testimony to the statesmanship, perseverance, and persuasiveness of our majority leader.

I should now like to comment upon the major sections of the conference bill.

SECTION 2

The declaration of policy is set forth in section 2. This declaration reads as follows:

The Congress hereby declares that it is the continuing policy and responsibility of the Federal Government to use all practicable means consistent with its needs and obligations and other essential considerations of national policy, with the assistance and cooperation of industry, agriculture, labor, and State and local governments, to coordinate and utilize all its plans, functions, and resources for the purpose of creating and maintaining, in a manner calculated to foster and promote free competitive enterprise and the general welfare, conditions under which there will be afforded useful employment opportunities, including self-employment, for those able, willing, and seeking to work, and to promote maximum employment, production, and purchasing power.

Does this declaration set forth the objective of full employment?

The answer to this question is "Yes," but instead of using the words "full employment," the bill uses the accepted definition of full employment. The specific language used is—

conditions under which there will be afforded useful employment opportunities, including self-employment, for those able, willing, and seeking to work.

This concept embraces the entire labor force. It is the substance of what is meant by the words "full employment."

Does the declaration recognize the Government's basic responsibility for maintaining conditions of full employment?

The answer to this question is also in the affirmative. Section 2 provides that the responsibility of the Federal Government is one of "creating and maintaining" conditions of full employment. Although the term "assure" which appeared in the original bill and the Senate bill is not used, the words "creating and maintaining" are substantially equivalent.

The conference bill also provides that it is the responsibility of the Federal Government "to promote maximum employment, production, and purchasing power." This is a constructive addition to the original bill. Under this provision, in addition to maintaining employment opportunities, the Government is to promote conditions under which those seeking work are able to take advantage of these opportunities, and we will have maximum employment. The use of the concept "maximum production" emphasizes the fact that our objective is not only full employment but also full production—that is, a constantly rising production of goods and services. The use of the concept "maximum purchasing power" recognizes the fundamental fact that full production depends upon attaining a constantly rising level of consumption.

The Senate bill contained the declaration that—

All Americans able to work and seeking work are entitled to an opportunity for useful, remunerative, regular and full-time employment.

While the precise language of this provision is not contained in the conference bill, nevertheless it is obvious that the right to work is implicit in the language of the conference bill which declares the Government's responsibility to create and maintain employment opportunities "for those able, willing, and seeking to work." Implementation of the right is the important thing. The exact words defining the right are unimportant so long as the intent is there. Here the intent is clear: to create a responsibility on the part of the Government to create and maintain job opportunities for citizens "able, willing, and seeking to work."

The original bill and the Senate bill committed the Federal Government, with certain qualifications, to provide whatever Federal investment and expenditure might be needed, as a last resort, to maintain full employment. But the conference bill does not refer to specific methods of affecting the level of employment. It makes no mention of Federal investment and expenditure, public works, loans, monopoly and competition, taxation or any other specific function of the Federal Government. Instead it calls upon the Federal Government to "coordinate and utilize all its plans, functions and resources" to achieve the desired objective.

This concept of utilizing all the vast resources of the Federal Government for the purpose of maintaining conditions of full employment appeared in none of the previous versions of this measure. It is a constructive and statesmanlike method of defining the Government's obligation to its citizens. I regard it as an improvement in the bill.

The declaration uses the phrase "to use all practicable means." This emphasizes that the Government's responsibility must be discharged effectively.

Like the Senate bill, it uses the phrase "consistent with its needs and obligations and other essential considerations of national policy." This provision recognizes that the maintenance of employment opportunities is not the sole objective of Federal policy. There are many other important objectives of national policy—such as the promotion of a higher standard of living, the protection of human rights, the maintenance of friendly economic relations with other nations, sound fiscal policy, national defense and security, and so forth. Obviously, there should be no conflict between our full employment program and measures intended to attain these other objectives of national policy. In fact, by creating and maintaining conditions of full employment and full production we shall be making an indispensable contribution to the attainment of these other important objectives.

The declaration also uses the language "with the assistance and cooperation of industry, agriculture, labor, and State and local governments." This provision, which was taken from the Senate bill

recognizes that the Federal Government does not have the sole responsibility with respect to employment. It recognizes that the creation and maintenance of employment opportunities must be a joint undertaking, that in a democracy a government program must reflect the will of all its citizens.

Finally, there is the language "in a manner calculated to foster and promote free competitive enterprise and the general welfare." This concept was contained in all of the previous versions of the bill.

SECTION 3

Section 3 of the conference bill contains the full substance of the Senate provisions on the National Production and Employment Budget. According to its provisions, the President shall transmit to the Congress an annual message setting forth:

First, the levels of employment, production, and purchasing power needed to carry out the declaration of policy;

Second, current and foreseeable trends in the level of employment, production, and purchasing power;

Third, a review of the economic effects of the Government's program; and

Fourth, a program for carrying out the policy declared in section 2.

The only substantive change that has been made is that while the Senate bill called for quarterly reports to Congress, the conference bill provides that the President may transmit supplementary reports from time to time. The use of the term "Economic Report," instead of the term "National Production and Employment Budget," is merely a verbal change which has no material effect on the content of the section.

SECTION 4

Section 4 of the conference bill sets up a Council of Economic Advisers composed of three persons exceptionally qualified to analyze economic developments. These men are to be paid \$15,000 per year and are to be confirmed by the Senate.

The House version of this section provided that all of the studies, reports, and recommendations of these three advisers to the President be available for use by the joint committee. If this provision had been maintained it would have given the three economic advisers an independent status apart from the Presidency. Conference bill eliminates this provision, thereby emphasizing the fact that their function is to assist the President in discharging his responsibilities under the act.

The Senate bill had contained mandatory provisions on consultation with industry, agriculture, labor, consumers, and State and local governments. To my regret, the consultation provision in the conference bill is permissive instead of mandatory. Moreover, the responsibility for the consultation is to be discharged by the Council of Economic Advisers rather than the President. I assume, however, that a really conscientious Council would lose no time in calling upon industry, agriculture, labor, consumers, and State and local governments to make their most effective contribution

to the development of our full-employment program.

Section 5 establishes a Joint Committee on the Economic Report to analyze the President's report to Congress and to help coordinate the diverse activities of the several committees of Congress.

It follows the Senate version by leaving the appointment of the committee's members entirely to the discretion of the President of the Senate and the Speaker of the House of Representatives.

It follows the House version by reducing the membership of the joint committee. In fact it goes even further than the House version by limiting the committee to 7 members from each House. This, I think, is an improvement in the bill, for a committee of 14 will be able to act in a more unified and decisive manner than would a committee of larger membership.

Section 6, on interpretations, which appeared in all previous versions, has been eliminated. This is an improvement, because the section was really unnecessary.

SUMMARY OF THE ACT

The more I study the bill as reported by the conference committee, the more I am convinced that it can carry out the original intentions of its sponsors. Its declaration of policy is historic in its implications. When the history of this period is written it will record that just as Federal responsibility for relief was accepted during the great depression, Federal responsibility for maintaining conditions of full employment was proclaimed by the Congress following the end of World War II.

The provisions on the economic report should be of incalculable value in giving the entire country an annual appraisal of how our economy is operating.

The provisions for a Council of Economic Advisers should be of great help to the President and the Executive Office in coordinating the vastly expanded operation of the executive branch.

The Joint Committee on the Economic Report should be a tremendous contribution to the improved organization and operation of the Congress.

But the passage of the Employment Act should give no one a sense of false security. Full employment cannot be maintained without hard work and hard thinking on the part of all our people.

Moreover, let us not underestimate the opposition to full employment. We have still in this country those extremists who fight every advancement proposed to make our economic system work in the interest and welfare of the whole people. From the day this legislation was first introduced, it has been misrepresented by its enemies.

Because of this bitter opposition, while the true purpose and intent of the bill is there, it lacks some of the forthright language contained in the original bill. A desperate effort will be made by its enemies to misconstrue and thereby destroy it. This should be a warning to any who might suspect that the road to full employment is short and easy. Many things, of course, remain to be done in order to carry out the policy of the bill.

EXECUTIVE ADMINISTRATION OF THE EMPLOYMENT ACT

The first task under the Employment Act of 1946 will be to develop a sound administrative structure in the executive branch.

When new legislation is enacted, it often happens that many months and sometimes many years are spent in the trial-and-error process of developing an administrative organization. This is what occurred with the Smaller War Plants Corporation. It is what happened with the Surplus Property Administration. Other Members of the Senate will name many other examples. It would be a tragic commentary upon the vast efforts that have been expended in obtaining a sound employment act if the passage of this legislation were to be followed by the usual period of groping and fumbling.

During the past year, therefore, I have had an intensive study made of the problems that must be faced in the administration of a full employment program. At this point I should like to set forth the conclusions I have arrived at—in the hope that they will be of value in the months that lie ahead.

First of all, the basic responsibility for developing the employment program within the executive branch is that of the President, not of the Council of Economic Advisers.

Some proposals that have been made for economic planning have aimed at placing the responsibility in the hands of planning boards. The effect of this act, however, is to underscore the responsibility of the President as the elected representative of the entire country, and as head of the executive branch of the Government. The Council set up in this bill is entirely subordinate to the President. It has no independent nor autonomous authority. Its members, like other officials in the Executive Office, can be removed by the President at any time and for any cause.

The purpose of creating a Council of Economic Advisers is merely to provide additional assistance to the President in order to help him in discharging his responsibilities. The successful operation of the Council will depend not only upon the qualifications of the men selected, but also upon their ability to cooperate with the President's other assistants and advisers.

Second. The members of the Council of Economic Advisers must be wholeheartedly devoted to the principles of the bill.

The employment bill as reported by the conference committee provides that the members of the Council of Economic Advisers be exceptionally qualified to "appraise programs and activities of the Government in the light of the policy declared in section 2." This means that they must subscribe without reservation to the policy declared in section 2. It means that they must believe in the objective of full employment, in the basic responsibility of the Federal Government for maintaining conditions of full employment, and in the need for the Government to utilize all its resources

for the purpose of discharging this responsibility.

Third. The facilities of the Bureau of the Budget must be used to the fullest.

In recent years the Bureau of the Budget has demonstrated that it is the major organ in the executive branch capable of coordinating the many and diverse activities of all the agencies and establishments. Every agency must come to this Bureau and justify its requests for appropriations. In so doing it must give a full explanation of its plans and policies. Accordingly, in its efforts to achieve the most efficient use of Federal funds, the Budget Bureau must necessarily perform the function of coordinating, under the direction of the President, the plans and policies of all the various agencies. As President Truman stated in his combined state of the Union and Budget message transmitted on January 21, 1946:

The budgetary program and the general program of the Government are actually inseparable. The budget is the annual work program of the Government.

With the enactment of this legislation, the coordinating function of the Budget Bureau must be developed still further. Unless this is done, the President will be unable to perform the task assigned him by the bill.

Fourth. Program offices should be established in all the various agencies.

The planning function should be decentralized as widely as possible throughout the various agencies, departments, and commissions. In this way, the full employment program can be planned with the full participation of specialized experts in every branch of the Federal Government. This would also contribute to keeping the size of the central staff to a minimum and to carrying out the intent of section 4 (e) (2), which calls for fully utilizing the services of other Government agencies.

Fifth. There should be more effective use of interdepartmental committees to handle problems that cut across agency lines.

Very effective work has been done in recent months through the Interdepartmental Committee on Foreign Economic Relations, which was organized by the State Department. Similar committees might well be established to deal with the complicated interagency problems involved in fiscal policy, monopoly regulation, construction and capital investment, development of underdeveloped areas, public welfare, and similar matters.

Sixth. Funds should be available for research work by State and local planning boards, universities, and similar agencies.

The Federal Government should not try to do all the research. Significant contributions to a full employment policy can be made by planning boards, universities, and research institutions throughout the country. Section 4 (e) (2) of the bill specifically calls for an effort in this direction. This section should be implemented by adequate appropriations.

Seventh. A complete economic statistical program is essential.

It would be a sad mistake to think that the only statistical information needed in the preparation of the economic report is data on employment, production, and purchasing power. Nothing less than a complete program of economic statistics—covering prices, profits, wages, productivity, and so forth—will meet the need. This means central statistical planning, along the lines already established under the Federal Reports Act, to first, fill in the gaps; second, adjust the time lags; third, analyze and interpret the data; fourth, make full use of non-government sources; fifth, establish statistical standards; and sixth, keep reports and questionnaires to a minimum.

Eighth. Special attention should be given to the question of Federal-State-local relationships.

The policies of States and local governments have an important role to play in our full employment program. This matter has been seriously neglected in the past. The successful administration of this act calls for a serious and concerted approach toward coordinating the taxation and expenditure programs of State and local governments, toward eliminating interstate trade barriers and toward developing grass roots planning throughout the country.

Ninth, and last, there must be provision for coordinated administration and continuous check-up on progress.

Legislative and executive policies have repeatedly been frustrated through ineffective administration. In many cases, moreover, the President has no means of knowing in what manner important programs are being carried out. Accordingly, it is essential that major attention be given to obtaining accurate reports of what is really going on throughout the executive establishment, and to achieving the full coordination of executive activities.

CONGRESSIONAL ADMINISTRATION OF THE EMPLOYMENT ACT

From the day this legislation was first introduced, the provision for a joint congressional committee to analyze the President's over-all program has been hailed as a distinct contribution to the improvement of congressional operations.

There is general agreement that such a committee could be extremely helpful in coordinating the separate and diverse activities of the many committees in the Senate and the House of Representatives. For example, let me quote from the Senate Banking Committee's minority report on the full employment bill:

We believe there should be such a joint committee studying the effect of proposed legislation on economic stability. We question somewhat whether the standing committees will pay much attention to the report of the joint committee, but it should be helpful by revealing to these committees and the individual Members of the Senate the relationship of this measure to an over-all economic program.

Accordingly, we must take great care to establish this joint committee on sound principles.

First of all, careful consideration should be given to the idea of having the chairmanship and the vice chairman-

ship of the joint committee held by the majority leader of the Senate and the majority leader of the House of Representatives.

Let us not forget the fact that this joint committee is to serve as an economic policy committee. Its chairman and vice chairman, therefore, might well be those Members of Congress who are responsible for over-all policy. If any other Members of the Congress were selected as chairman and vice chairman of the joint committee and if they succeeded in discharging their duties successfully, then they might find themselves, in large part, performing certain functions of majority leadership.

For the same reason, the leaders of the minority party in both Houses might well serve as the ranking minority members of the joint committee.

Second, the joint committee should submit regular reports on the progress of the full employment program in Congress.

Both the general public and Members of the Congress themselves need regular information on the status of the various measures that make up the President's full employment program. This information should be provided in a regular report of the joint committee explaining the status of each proposal and indicating what changes, if any, have been made by the various committees and Houses of Congress.

Third, the members of the Joint Committee on the Economic Report should limit their activities on other committees.

Effective work by congressional committees becomes impossible when individual Members have too many committee assignments. In view of the importance of the Joint Committee on the Economic Report, therefore, the members of the joint committee should limit their activities on other committees. Since committee assignments in the Senate are much heavier than in the House of Representatives, this applies particularly to the Senate.

Fourth, more rapid progress is needed toward the general improvement of congressional organization.

The successful operation of the joint committee would be merely a first step in the improved organization of the Congress. It cannot be regarded as a substitute for more adequate staffing in our legislative committees, for closer cooperation between committees dealing with related topics, for closer relationships between the two Houses, and for the many other fundamental improvements.

I am looking forward with great anticipation to the forthcoming report of the Joint Committee on the Organization of Congress, headed by the distinguished Senator from Wisconsin [Mr. LA FOLLETTE]. It is my earnest hope that this report will be acted upon, not merely filed away for future study. Unless we achieve a comprehensive strengthening of the Congress, I see little hope that the legislative branch of our Government will be able to do its part in maintaining an economy of full production and full employment.

THE NEED FOR PUBLIC SUPPORT

But even with the most effective planning within the executive branch, even with the most effective operations by the Joint Committee on the Economic Report, there is no guaranty that the Congress will make the correct decisions.

The Members of Congress are the representatives of the American people. The wisdom of their decisions, therefore, will depend on how well the American people understand the economic problems facing our country and how effectively they take a position on these matters and present their views to their elected representatives in the Congress. If the American people fail to take a strong position back of this program and demand that this act be effectively enforced, it will become dormant and useless to carry our country through the dangerous days ahead. But if this legislation is given wholehearted support, it will provide a firm foundation upon which we may go forward to a golden age of full employment and prosperity. It will become the framework within which industry, agriculture, labor, State and local governments, and the Federal Government can work together to translate into a living reality our hopes and plans for a stronger and better America.

Mr. President, millions of our citizens have high hopes for the success of this program. The future of our system of free enterprise depends upon its capacity with the cooperation of our Government to build an economy of full production, employment and prosperity for the American people.

I urge that those who in the past have declared that full employment is a policy foreign to our system of Government and cannot be maintained under our system set aside their doubts and join with the sponsors of this legislation in an all-out effort to preserve our country from a major depression 5 or 6 years hence.

Let us provide for all our people the opportunity and security that is their rightful heritage as Americans.

Mr. RADCLIFFE. Mr. President, I rise to express the hope and wish that the pending conference report will be agreed to. It represents the beneficial results of much careful study.

A few moments ago the Senator from Ohio [Mr. TAFT] stated that in the beginning of the so-called full employment legislation I was one of those who felt that the bill, as originally drafted, should be modified. Such was the case, as I thought that substantial changes should be made in it. I was and am heartily in favor of doing everything which will help to promote employment and production by sound and reasonable methods, but I felt that there was language in the bill which probably would attempt to commit us to a program which we could not succeed in following out in a spirit of wisdom, and that the language in various respects was unfortunately chosen. I suggested various amendments, some of which were adopted in committee and on the floor. The language of one amendment I submitted which was opposed in committee and on the floor of the Senate was to the effect that whatever the Federal Government

did in attempting to promote employment should be consistent with its needs and obligations, and other essential considerations of national policy. In other words, the Government should, in formulating its policies, consider each phase of the problem on its intrinsic merits as of the moment and judge accordingly in a true sense of proportion. The actual language itself is not important, but I am very glad that that is its underlying idea, and in fact my phraseology has been embodied in the conference agreement and is now before us. I think the amendment gives us a much better balanced situation and sets forth a true sense of relative values.

The bill has been studied very carefully throughout its various phases of legislative procedure. An unusual amount of time has been devoted to it. I believe that we have at last evolved a measure which will be satisfactory. It has been accepted unanimously by the conferees of both Houses of Congress, of which I was one, and is now before the Senate for action. I am confident that this measure will in its operation be helpful to labor, to industry, and to the country as a whole. I certainly trust that the conference report will be adopted.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

QUOTAS ON BURLEY TOBACCO

Mr. BARKLEY. Mr. President, is the Senator from North Carolina [Mr. HOEY] in the Chamber? There is a bill on the calendar in which he is interested.

Mr. ELLENDER. Mr. President, I have the floor.

Mr. BARKLEY. I beg the Senator's pardon. I wanted him to yield to me for a moment.

The PRESIDING OFFICER. The Senator from Louisiana has the floor. Does the Senator yield to the Senator from Kentucky?

Mr. ELLENDER. I had agreed to yield to the Senator from Alabama [Mr. BANKHEAD].

Mr. BARKLEY. The Senator from Alabama wishes to address the Senate. I think I can dispose of this bill in 5 minutes. I wish to go to the Pearl Harbor Committee as soon as possible.

Mr. BANKHEAD. The Senator has taken a great deal of time since he first told me about that committee.

The PRESIDING OFFICER. To whom does the Senator from Louisiana yield?

Mr. ELLENDER. I yield to the Senator from Alabama.

Mr. BANKHEAD. Mr. President, I will waive my opportunity in favor of the Senator from Kentucky.

Mr. ELLENDER. If that may be done with the understanding that my rights will not be jeopardized.

The PRESIDING OFFICER. With the understanding that the Senator from Louisiana does not lose the floor, the Senator from Kentucky may proceed.

Mr. BARKLEY. Mr. President, House bill 5135, to amend the Agricultural Adjustment Act of 1933, as amended, was

unanimously reported in the House by the Committee on Agriculture, and passed without objection in the House. Full hearings were held on it before the Senate Committee on Agriculture and Forestry, and it was unanimously reported to the Senate and is now on the calendar. I ask that I may call it up at this time only because of the urgency of it. It is a bill which affects the production of burley tobacco for the crop year of 1946. I may say that two or three weeks ago representatives of all the tobacco organizations from all the tobacco-growing States met in Washington in consultation with the Department of Agriculture, and agreed on this proposed legislation.

Mr. MCKELLAR. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. MCKELLAR. Does the Senator mean the producers' organizations?

Mr. BARKLEY. Yes; the producers' organizations, the American Farm Bureau Federation, the Grange, the Department of Agriculture, and all the Members of the House of Representatives representing tobacco-growing States.

The reason for the bill is very simple. During the war there was an increase in consumption of tobacco for cigarette purposes, which resulted in an increase in the price of tobacco. Of course, labor costs also went up.

The total crop of burley tobacco for 1945 amounted to 603,000,000 pounds. The market ordinarily opens the 1st of December, and when it opened last December the average price of burley tobacco in the State of Virginia was \$52 a hundred. In Kentucky it was \$48 or \$50 a hundred but immediately, when it was discovered that there was a surplus as a result of the enormous production of 1945, the price began to slip, until it went from \$48 or \$50 a hundred down to a level between \$25 and \$30.

The only way to remedy that situation for this year's crop is to bring about a reduction in the quotas. Under an amendment to the Agricultural Adjustment Act the burley tobacco growers, the flue-cured-tobacco growers, and others voted for a quota system. It must be submitted to the growers, and they must vote for it by a vote of 75 percent. However, the election will not be held until next November. That would affect the crop of the following year. Nothing but the legislation which this bill proposes can result in a reduction of the quotas on that particular type of tobacco for 1946.

The bill would authorize the Secretary of Agriculture to reduce the quota for burley tobacco by 10 percent for 1946, and also authorize him to increase the penalty for overproduction on the part of any grower. The present law provides a penalty of 10 cents a pound. When tobacco was selling at 20 cents a pound, that represented 50 percent of its value as a penalty against overproduction. With present prices, the quota system which had been voted by the farmers is nullified.

The bill would amend the law so as to provide for a 40-percent penalty, instead

of a penalty of 10 cents a pound. That is satisfactory to the farmers. They have all endorsed it. The reason why it is necessary to act on the matter now is that farmers are now burning their beds to sow the seed for the production of plants which will be replanted in the spring, and they must know in advance what will be done with respect to quotas before they go too far with their crops.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. WHITE. Someone has indicated to me that the bill comes before us with a unanimous report from the Committee on Agriculture and Forestry. Can the Senator confirm that statement?

Mr. BARKLEY. That is true. The same situation was true in the House. It was unanimously reported. It passed the House on the 22d of January without opposition. We had a full day's hearing before the Committee on Agriculture and Forestry in the Senate. The bill was unanimously reported from that committee, and is now on the calendar with the unanimous endorsement of the committees of both Houses. The tobacco-growing organizations are behind it, as are the Farm Bureau Federation and the Department of Agriculture, which participated in writing the bill. All have endorsed it.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. CORDON. Can the Senator tell me the calendar number of the bill?

Mr. BARKLEY. It is Calendar No. 932. The Senator from North Carolina [Mr. HOEY], who reported the bill, is now present in the Chamber, and I yield to him to make a further explanation of it.

Mr. HOEY. Mr. President, the Senator from Kentucky has stated the facts. The growers of flue-cured tobacco and burley tobacco, as well as the farm organizations, the warehousemen, and everyone connected with the industry, feel that this is a very necessary measure.

The emergency arises from the fact that the time has now arrived to begin planting, and unless this bill is passed so that quotas may be fixed, this year's production will be interfered with. The bill would not change the quotas on flue-cured tobacco, but only on burley tobacco. The reason for that is that there is a foreign market for flue-cured tobacco, whereas the foreign market for burley tobacco has not been developed. Therefore a surplus has accumulated, depressing the price.

I hope the bill may be passed.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 5135) to amend the Agricultural Adjustment Act of 1938, as amended.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

Mr. BARKLEY. I thank the Senator from Louisiana [Mr. ELLENDER] and also the Senator from Alabama [Mr. BANKHEAD].

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Perry, one of its clerks, announced that the House insisted upon its amendments to the bill (S. 1152) to effectuate the purposes of the Servicemen's Readjustment Act of 1944 in the District of Columbia, and for other purposes, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. McGEHEE, Mr. HARRIS, and Mr. DIRKSEN were appointed managers on the part of the House at the conference.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 380. An act to declare a national policy on employment, production, and purchasing power, and for other purposes; and

S. 1480. An act for the relief of Charles R. Hooper.

FAIR EMPLOYMENT PRACTICE ACT

The Senate resumed the consideration of the bill (S. 101) to prohibit discrimination in employment because of race, creed, color, national origin, or ancestry.

Mr. ELLENDER. I now yield to the Senator from Alabama [Mr. BANKHEAD].

Mr. BANKHEAD. Mr. President, I wish to submit a few observations on the pending measure, the FEPC bill. I assure the Senate that I shall not detain it very long.

In the first place, I wish to add to the RECORD additional evidence from farm leaders and officers of some of the large agricultural organizations. A few days ago when I addressed the Senate on this subject I placed in the RECORD a letter from the American Farm Bureau Federation, signed by Mr. Edward O'Neal, its president. I now have a letter from Mr. A. S. Goss, Master of the National Grange, one of the oldest farm organizations in the country, if not the oldest. It has a very large and intelligent membership. I send to the desk my letter to Mr. Goss and his reply, and I ask that they be read at the desk.

The PRESIDING OFFICER. Without objection, the letters will be read as requested.

The legislative clerk read as follows:

Mr. A. S. Goss,
Master, the National Grange,
Washington, D. C.

DEAR MR. GOSS: I have your letter of January 31, 1946, in response to my inquiry as to how the Grange stands on H. R. 2232. I am glad to have the information contained in your letter, and I thank you for writing me.

Sincerely yours,

THE NATIONAL GRANGE,
Washington, D. C., January 31, 1946.
Hon. JOHN H. BANKHEAD, 2d,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: You have asked what our stand is upon H. R. 2232, the so-called fair employment practice bill. The National Grange has never passed on this particular measure, but the executive committee has reviewed the measure in the light of our general policies.

We are opposed to the constant tendency of the Government to regulate our daily lives. We do not believe this sort of regimentation is a constructive approach to the race problem. We believe an employer must have the right to employ whomsoever he wishes and we think the best interests of the minority groups are not being served by thus making the problem a political issue.

Yours sincerely,

A. S. GOSS,
Master, the National Grange.

Mr. BANKHEAD. Mr. President, I have received a telegram from the Utah Wool Growers Association, signed by Mr. James A. Hooper, secretary, and Mr. Don Clyde, president. I ask that the telegram be read.

The PRESIDING OFFICER. Without objection, the telegram will be read.

The legislative clerk read as follows:

SALT LAKE CITY, UTAH, February 4, 1946.
Senator J. H. BANKHEAD,
Senate Office Building,
Washington, D. C.:

Honesty and hard work are prerequisites for winning the peace. Idleness and coddling are enemies to progress. Labor must prove worthy of its hire. Producers and consumers must receive consideration. Domestic as well as foreign policies must be based "upon justice no less than upon power." Free enterprise and production will receive serious set-back if the FEPC bill should become law. We are opposed to the bill.

UTAH WOOL GROWERS,
DON CLYDE, President,
JAMES A. HOOPER, Secretary.

Mr. BANKHEAD. Mr. President, I hold in my hand a telegram from the Texas and Southwestern Cattle Raisers Association, signed by Judge Montague. I ask that it be read into the RECORD.

The PRESIDING OFFICER. Without objection, the clerk will read.

The legislative clerk read as follows:

FORT WORTH, TEX., February 6, 1946.
Hon. JOHN H. BANKHEAD,
United States Senate:

The membership of Texas and Southwestern Cattle Raisers Association is unalterably opposed to the FEPC bill now being discussed by the Senate. The relationship of employer and employee should always be one voluntarily arranged between the parties. Any forced arrangement such as that which would result from the FEPC bill would be slavery in reverse in that the employer would be deprived of freedom. We sincerely commend the fight being made against this bill and hope that it will be defeated.

THE TEXAS AND SOUTHWESTERN
CATTLE RAISERS ASSOCIATION,
By JOE G. MONTAGUE, Attorney.

Mr. BANKHEAD. Mr. President, in the course of this discussion something has been said about the authorship of the pending bill. I think that subject should be clarified insofar as it can be. I am sorry the Senator from New Mexico [Mr. CHAVEZ] is not now in the Chamber. He made a statement about being the author of the bill. I have no purpose to impeach his statement on that subject, and probably he prepared the bill which was offered. But it is important to examine the source of the material from which the bill was prepared.

In the first place, this subject was brought to the attention of the Congress by Executive Order 8802, issued by

President Roosevelt on June 26, 1941. I ask that that Executive order be printed at this point in the RECORD, as a part of my remarks. I do not wish to take the time to read it just now.

There being no objection, the Executive Order (No. 8802) was ordered to be printed in the RECORD, as follows:

EXECUTIVE ORDER 8802

Whereas it is the policy of the United States to encourage full participation in the national defense program by all citizens of the United States, regardless of race, creed, color, or national origin, in the firm belief that the democratic way of life within the Nation can be defended successfully only with the help and support of all groups within its borders; and

Whereas there is evidence that available and needed workers have been barred from employment in industries engaged in defense production solely because of considerations of race, creed, color, or national origin, to the detriment of workers' morale and of national unity:

Now, therefore, by virtue of the authority vested in me by the Constitution and the statutes, and as a prerequisite to the successful conduct of our national defense production effort, I do hereby reaffirm the policy of the United States that there shall be no discrimination in the employment of workers in defense industries or Government because of race, creed, color, or national origin, and I do hereby declare that it is the duty of employers and of labor organizations, in furtherance of said policy and of this order, to provide for the full and equitable participation of all workers in defense industries, without discrimination because of race, creed, color, or national origin;

And it is hereby ordered as follows:

1. All departments and agencies of the Government of the United States concerned with vocational and training programs for defense production shall take special measures appropriate to assure that such programs are administered without discrimination because of race, creed, color, or national origin;

2. All contracting agencies of the Government of the United States shall include in all defense contracts hereafter negotiated by them a provision obligating the contractor not to discriminate against any worker because of race, creed, color, or national origin;

3. There is established in the Office of Production Management a Committee on Fair Employment Practice, which shall consist of a Chairman and four other members to be appointed by the President. The Chairman and members of the Committee shall serve as such without compensation but shall be entitled to actual and necessary transportation, subsistence and other expenses incidental to performance of their duties. The Committee shall receive and investigate complaints of discrimination in violation of the provisions of this order and shall take appropriate steps to redress grievances which it finds to be valid. The Committee shall also recommend to the several departments and agencies of the Government of the United States and to the President all measures which may be deemed by it necessary or proper to effectuate the provisions of this order.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, June 26, 1941.

Mr. BANKHEAD. Mr. President, thereafter President Roosevelt issued Executive Order 9346. It was issued on May 27, 1943, and it amended the previous order, No. 8802. I ask unanimous consent that Executive Order 9346 be printed at this point in the RECORD.

There being no objection, the Executive Order, No. 9346, was ordered to be printed in the RECORD, as follows:

EXECUTIVE ORDER 9346

In order to establish a new Committee on Fair Employment Practice, to promote the fullest utilization of all available manpower, and to eliminate discriminatory employment practices, Executive Order No. 8802 of June 25, 1941, as amended by Executive Order No. 8823 of July 18, 1941, is hereby further amended to read as follows:

"Whereas the successful prosecution of the war demands the maximum employment of all available workers regardless of race, creed, color, or national origin; and

"Whereas it is the policy of the United States to encourage full participation in the war effort by all persons in the United States regardless of race, creed, color, or national origin, in the firm belief that the democratic way of life within the Nation can be defended successfully only with the help and support of all groups within its borders; and

"Whereas there is evidence that available and needed workers have been barred from employment in industries engaged in war production solely by reason of their race, creed, color, or national origin, to the detriment of the prosecution of the war, the workers' morale, and national unity;

"Now, therefore, by virtue of the authority vested in me by the Constitution and statutes, and as President of the United States and Commander in Chief of the Army and Navy, I do hereby reaffirm the policy of the United States that there shall be no discrimination in the employment of any person in war industries or in Government by reason of race, creed, color, or national origin, and I do hereby declare that it is the duty of all employers, including the several Federal departments and agencies, and all labor organizations, in furtherance of this policy and of this order, to eliminate discrimination in regard to hire, tenure, terms, or conditions of employment, or union membership because of race, creed, color, or national origin.

"It is hereby ordered, as follows:

"1. All contracting agencies of the Government of the United States shall include in all contracts hereafter negotiated or renegotiated by them a provision obligating the contractor not to discriminate against any employee or applicant for employment because of race, creed, color, or national origin and requiring him to include a similar provision in all subcontracts.

"2. All departments and agencies of the Government of the United States concerned with vocational and training programs for war production shall take all measures appropriate to assure that such programs are administered without discrimination because of race, creed, color, or national origin.

"3. There is hereby established in the Office for Emergency Management of the Executive Office of the President a Committee on Fair Employment Practice, hereinafter referred to as the Committee, which shall consist of a chairman and not more than six other members to be appointed by the President. The chairman shall receive such salary as shall be fixed by the President not exceeding \$10,000 per year. The other members of the Committee shall receive necessary traveling expenses and, unless their compensation is otherwise prescribed by the President, a per diem allowance not exceeding \$25 per day and subsistence expenses on such days as they are actually engaged in the performance of duties pursuant to this order.

"4. The Committee shall formulate policies to achieve the purposes of this order and shall make recommendations to the various Federal departments and agencies and to the President which it deems necessary and

proper to make effective the provisions of this order. The Committee shall also recommend to the Chairman of the War Manpower Commission appropriate measures for bringing about the full utilization and training of manpower in and for war production without discrimination because of race, creed, color, or national origin.

"5. The Committee shall receive and investigate complaints of discrimination forbidden by this order. It may conduct hearings, make findings of fact, and take appropriate steps to obtain elimination of such discrimination.

"6. Upon the appointment of the Committee and the designation of its chairman, the Fair Employment Practice Committee established by Executive Order No. 8802 of June 25, 1941, hereinafter referred to as the old Committee, shall cease to exist. All records and property of the old Committee and such unexpended balances of allocations or other funds available for its use as the Director of the Bureau of the Budget shall determine shall be transferred to the Committee. The Committee shall assume jurisdiction over all complaints and matters pending before the old Committee and shall conduct such investigations and hearings as may be necessary in the performance of its duties under this order.

"7. Within the limits of the funds which may be made available for that purpose, the chairman shall appoint and fix the compensation of such personnel and make provision for such supplies, facilities, and services as may be necessary to carry out this order. The Committee may utilize the services and facilities of other Federal departments and agencies and such voluntary and uncompensated services as may from time to time be needed. The Committee may accept the services of State and local authorities and officials and may perform the functions and duties and exercise the powers conferred upon it by this order through such officials and agencies and in such manner as it may determine.

"8. The Committee shall have the power to promulgate such rules and regulations as may be appropriate or necessary to carry out the provisions of this order.

"9. The provisions of any other pertinent Executive order inconsistent with this order are hereby superseded."

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, May 27, 1943.

Mr. BANKHEAD. Mr. President, the next development was the introduction of a bill in the House of Representatives by Representative MARCANTONIO. I do not intend to make any offensive remark about him. I suppose he is proud of his record. But I am advised that he voted against every appropriation bill to carry on the war until Russia entered the war, and that after that time he voted for all appropriation bills. I do not know whether he believes in a communistic form of government. The Members of the Senate know something about Mr. MARCANTONIO's record. He is not a Democrat; he is not a Republican. I do not know whether he is a Socialist. Of late, since the American Labor Party was organized, he has belonged to it. I do not know what his record was prior to that time. However, he is the author of the first legislative bill which was introduced on this subject in the Congress of the United States. It is surprising to see so many able, strong Members of the Congress, both in the House of Representatives and in the Senate, following

the leadership of Mr. MARCANTONIO on this subject.

Now let us consider the record. Mr. MARCANTONIO introduced his bill on July 20, 1942. It is House bill 7412. I ask unanimous consent that it may be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the bill (H. R. 7412) was ordered to be printed in the RECORD, as follows:

Be it enacted, etc.—

FINDINGS AND POLICY

SECTION 1. The practice of some employers in denying employment opportunities to and in discriminating in employment against persons because of race, color, creed, religion, national origin, or citizenship is obnoxious to the fundamental democratic principle of equal opportunity for all, denies basic civil rights and liberties to large sections of the population, is destructive of workers' morale, impairs national unity, and wastes essential manpower.

It is hereby declared to be the policy of the United States to repudiate and prohibit discrimination in employment because of race, color, creed, religion, national origin, or citizenship by employers engaged in the manufacture or furnishing of materials, supplies, articles, equipment, or services to or for the use of the United States or any agency or instrumentality thereof.

DEFINITIONS

SEC. 2. 1. The term "committee" means the Committee on Fair Employment Practice appointed by the President pursuant to Executive Order No. 8802 of June 25, 1941.

2. The term "person" includes one or more individuals, partnerships, associations, corporations, legal representatives, trustees, trustees in bankruptcy, or receivers.

3. The term "employer" includes any person acting on behalf of or in the interest of an employer, directly or indirectly.

4. The term "Federal agency" means any executive department, independent establishment, or other agency or instrumentality of the United States, any corporation, all of the stock of which is beneficially owned by the United States, the District of Columbia, or any Territory or possession of the United States.

5. The term "contractor" means any employer who enters into a contract with a Federal agency for the manufacture or furnishing of materials, supplies, articles, equipment, or services.

6. The term "subcontractor" means any employer who enters into a contract with a contractor for the manufacture or furnishing of materials, supplies, articles, equipment or services for use in, or in connection with, or necessary for, the performance by the contractor of its contract with a Federal agency.

7. The term "fair employment practice provisions" means (a) the provisions contained in any contract between a Federal agency and a contractor, or between a contractor and a subcontractor pursuant to the requirements of section 4 of this act, and (b) the provisions contained in any defense contract pursuant to the requirements of paragraph 2 of Executive Order No. 8802 dated June 25, 1941.

FAIR EMPLOYMENT PRACTICE PROVISIONS

SEC. 3. It shall be an unfair employment practice for any contractor or subcontractor to refuse to hire any person, or in solicitation for hire, hiring, training, tenure, or any other term or condition of employment to discriminate against any person because of race, color, creed, religion, national origin, or citizenship: *Provided*, That it shall not be

an unfair employment practice to deny employment in specified occupations to non-citizens or alien enemies, where such denial of employment is required by the terms of any Executive order issued by the President of the United States.

SEC. 4. Every contract entered into by a Federal agency with a contractor shall include the following fair employment practice provisions:

(a) That the contractor will not, in the performance of such contract or otherwise, engage in any unfair employment practice;

(b) That the contractor shall include in every contract executed by it with a subcontractor, an agreement, for the use and benefit of the United States, that such subcontractor will not engage in any unfair employment practice in the performance of such subcontract or otherwise.

ENFORCEMENT

SEC. 5. 1. The committee is empowered and directed, as hereinafter provided, to prevent the violation of and to enforce fair employment practice provisions.

2. Whenever the committee has reason to believe or whenever a charge has been made that any contractor or subcontractor has violated or is violating the fair employment practice provisions of any contract to which it is a party, the committee shall have power to issue and cause to be served upon such contractor or subcontractor a complaint stating the charges in that respect, and containing a notice of hearing before the committee at a place therein fixed to be held not less than 7 days after the serving of said complaint. Any such complaint may be amended by the committee or its agent conducting the hearing at any time prior to the issuance of an order based thereon. The person so complained of shall have the right to file an answer to the original or amended complaint not less than 5 days after the service of such original or amended complaint and to appear in person or otherwise to give testimony at the place and time set in the complaint. In the discretion of a member or agent conducting the hearing, or of the committee, any other person may be allowed to intervene in the proceeding and to present testimony. In any such proceeding the rules of evidence prevailing in the courts of law or equity shall not be controlling.

SEC. 6. The testimony taken at the hearing shall be reduced to writing and filed with the committee. Thereafter, in its discretion, the committee, upon notice, may take further testimony or hear argument. If upon all the testimony taken the committee shall determine that the respondent has violated or is violating any fair employment practice provision, the committee shall state its findings of fact and shall issue and cause to be served on such respondent an order requiring such respondent to cease and desist from such violations and from any and all other violations of such fair employment practice provisions and to take such of the following further action as the committee may direct:

(a) Payment into the Treasury of the United States, as liquidated damages for such violation, the sum of \$500 per day for each day of the continuance of such violation.

(b) The hiring of any person refused employment or the reinstatement of any person discharged or laid off in violation of such fair employment practice provisions.

(c) The transfer of any person from an occupation in which he is employed to an occupation in which he was denied employment or from which he was transferred in violation of such fair employment practice provisions.

(d) The award of back pay from the date of any refusal to hire, lay off, discharge, or other discrimination in hiring, tenure, or

other term or condition of employment in violation of such fair employment practice provisions.

(e) Such other affirmative action as will effectuate the policy of this act.

(f) The making of reports to the committee from time to time showing the extent to which the order has been complied with.

If upon all the testimony the committee shall be of the opinion that the person or persons named in the complaint have not violated and are not violating such fair employment practice provisions, then the committee shall make its findings of fact and shall issue an order dismissing the complaint.

Until a transcript of the record in a case shall have been filed in a court, the committee may at any time, upon reasonable notice and in such manner as it shall deem proper, modify or set aside, in whole or in part, any finding or order made or issued by it.

SEC. 7. Unless the committee shall otherwise determine and state in its order, no contractor or subcontractor against whom the committee has entered an order pursuant to section 6, and no person exercising a controlling interest in such contractor or subcontractor shall be awarded a contract as a contractor or subcontractor until 3 years have elapsed from the date of such order of the committee. The Comptroller General is authorized and directed to distribute a list to all Federal agencies, and such Federal agencies are authorized and directed to distribute a list to all contractors containing the names of persons who have been barred from becoming contractors or subcontractors pursuant to the provisions of this section.

ENFORCEMENT AND REVIEW

SEC. 8. Proceedings for the enforcement of any order of the committee may be taken and prosecuted by the committee and proceedings for the review of any final order of the committee may be taken and prosecuted by any person aggrieved thereby in the same manner and form and with the same effect as is provided by subdivisions (e) to (i), inclusive, of section 10 of the National Labor Relations Act with reference to proceedings for the enforcement or review of orders of the National Labor Relations Board: *Provided*, That the court in which a petition for enforcement or review shall be filed and which shall have jurisdiction of the proceeding shall be any circuit court of appeals of the United States (including the Court of Appeals of the District of Columbia) within any circuit wherein the violation in question of the fair employment practice provisions occurred or wherein the respondent named in the order of the committee resides or transacts business, or (in the case of a petition to review an order of the committee) in the Court of Appeals of the District of Columbia.

INVESTIGATORY POWERS

SEC. 9. For the purpose of all hearings and investigations which, in the opinion of the committee, are necessary or proper for the exercise of the powers vested in it by this Act, the committee, its members, and its duly authorized agents or agencies shall have and may exercise all of the powers vested in the National Labor Relations Board by subdivisions (1) to (6), inclusive, of section 11 of the National Labor Relations Act, and all of the provisions of said subdivisions shall be applicable to hearings and investigations conducted by the committee under this act.

SEC. 10. Any person who shall willfully resist, prevent, impede, or interfere with any member of the committee or any of its agents or agencies in the performance of duties pursuant to this act shall be punished by a fine of not more than \$5,000 or by imprisonment for not more than 1 year, or both.

MISCELLANEOUS

SEC. 11. The committee may, by one or more of its members or by such agents or

agencies as it may designate, prosecute any inquiry necessary to its functions in any part of the United States. The committee may establish or utilize such regional, local, or other agencies and utilize such voluntary and uncompensated services as may from time to time be needed. Attorneys appointed by the committee may appear for and represent the committee in any court proceeding.

SEC. 12. The committee shall have authority from time to time to make, amend, and rescind such rules and regulations as may be necessary to carry out the provisions of this act. Such rules and regulations shall be effective upon publication in the manner prescribed by the committee.

SEC. 13. If any provision of this act, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of this act, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

SEC. 14. This act may be cited as the "Fair Employment Practice Act."

Mr. BANKHEAD. Mr. President, who introduced the next bill on the subject? It was introduced by Mr. Scanlon, a Member of the House of Representatives from the State of Pennsylvania, and a Democrat. He introduced House bill 3986. It is strange to find that the bill pending before us, Senate bill 101, is stated in language almost exactly the same as that used in the Scanlon bill, which was introduced several months before Senate bill 101 was introduced. I send to the desk a copy of the Scanlon bill, House bill 3986, and ask unanimous consent that it be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the bill (H. R. 3986) was ordered to be printed in the RECORD, as follows:

Be it enacted, etc.,—

FINDINGS AND DECLARATION OF POLICY

SECTION 1. The Congress finds that the practice of denying employment opportunities to, and discriminating in employment against, properly qualified persons by reason of their race, creed, color, national origin, or ancestry, foments domestic strife and unrest, deprives the United States of the fullest utilization of its capacities for production and defense, and burdens, hinders, and obstructs commerce.

It is hereby declared to be the policy of the United States to eliminate such discrimination in all employment relations which fall within the jurisdiction or control of the Federal Government as hereinafter set forth.

RIGHT TO FREEDOM FROM DISCRIMINATION IN EMPLOYMENT

SEC. 2. The right to work and to seek work without discrimination because of race, creed, color, national origin, or ancestry is declared to be an immunity of all citizens of the United States, which shall not be abridged by any State or by an instrumentality or creature of any State.

UNFAIR EMPLOYMENT PRACTICES DEFINED

SEC. 3. (a) It shall be an unfair employment practice for any employer within the scope of this act—

(1) to refuse to hire any person because of such person's race, creed, color, national origin, or ancestry;

(2) to discharge any person from employment because of such person's race, creed, color, national origin, or ancestry;

(3) to discriminate against any person in compensation or in other terms or conditions of employment because of such per-

son's race, creed, color, national origin, or ancestry.

(b) It shall be an unfair employment practice for any labor union within the scope of this act—

(1) to refuse membership to any person because of such person's race, creed, color, national origin, or ancestry;

(2) to expel from membership any person because of such person's race, creed, color, national origin, or ancestry; or

(3) to discriminate against any member, employer, or employee because of such person's race, creed, color, national origin, or ancestry.

(c) It shall be an unfair employment practice for any employer or labor union within the scope of this act to discharge, expel, or otherwise discriminate against any person because he has opposed any practices forbidden by this act or because he has filed a charge, testified, or assisted in any proceeding under this act.

SCOPE OF ACT

SEC. 4. (a) This act shall apply to any employer having in his employ more than five persons, who is (1) engaged in interstate or foreign commerce; (2) under contract with the United States or any agency thereof; or (3) performing work, under subcontract or otherwise, called for by a contract to which the United States or any agency thereof is a party.

(b) This act shall apply to any labor union which has five or more members in the employ of one or more employers covered by the preceding paragraph.

(c) This act shall apply to the employment practices in the United States and of every Territory, insular possession, agency, or instrumentality thereof, except that paragraphs (3) and (f) of section 10, providing for petitions for enforcement and review, shall not apply in any case in which an order has been issued against any department or independent agency of the United States; but in any such case the Fair Employment Practice Commission established by section 5 of this act may petition the Attorney General of the United States for the enforcement of such order, and it shall thereupon be the duty of the Attorney General to take such measures as may secure obedience to any such order. Every official who wilfully violates any such order shall be summarily discharged from the Government employ.

FAIR EMPLOYMENT PRACTICE COMMISSION

SEC. 5. For the purpose of securing enforcement of the foregoing rights and preventing unfair employment practices on the part of employers and labor unions, there is hereby established a commission to be known as the Fair Employment Practice Commission, which shall consist of a chairman and six additional members to be appointed by the President, by and with the advice and consent of the Senate, who shall serve for a term of 7 years except that the terms of the members originally appointed shall expire serially at intervals of 1 year. Any member of the commission may be removed by the President, upon notice and hearing, for neglect of duty or malfeasance in office, but for no other cause. Four members of the Commission shall at all times constitute a quorum.

REPORTS

SEC. 6. The Commission shall at the close of each fiscal year make a report in writing to the Congress and to the President concerning the cases it has heard, the decisions it has rendered, the names, salaries, and duties of all employees and officers in the employ or under the supervision of the Commission, and an account of all moneys it has disbursed, and shall make such recommendations for further legislation as may appear desirable.

SALARIES

SEC. 7. Each member of the Commission shall receive a salary of \$10,000 a year, shall be eligible for reappointment, and shall not engage in any other business, vocation, or employment.

TERMINATION OF COMMITTEE ON FAIR EMPLOYMENT PRACTICE

SEC. 8. Upon the appointment of the members of the Commission, the Committee on Fair Employment Practice, established by Executive Order No. 9346 of May 27, 1943, shall cease to exist. All employees of the said Committee shall be transferred to and become employees of the Commission. All records, papers, and property of the Committee shall pass into the possession of the Commission, and all unexpended funds and appropriations for the use and maintenance of the Committee shall be available to the Commission.

LOCATION OF OFFICES

SEC. 9. The Commission shall hold its sessions in the District of Columbia and at such other places as it may designate. The Commission may, by one or more of its members or by such referees, agents, or agencies as it may designate, prosecute any inquiry or conduct any hearing necessary to its functions in any part of the United States or any Territory or insular possession thereof.

PROHIBITION OF UNFAIR EMPLOYMENT PRACTICES

SEC. 10. (a) The Commission is empowered as herein provided to prohibit any person from engaging in any unfair employment practices within the scope of this act.

(b) Whenever it is charged that any person has engaged in any such unfair employment practice, the Commission, or any referee, agent, or agency designated by the Commission for such purposes, shall have power to issue and cause to be served upon such person a complaint stating the charges in that respect and containing a notice of hearing before the Commission or a member thereof, or before a designated referee, agent, or agency at a place therein fixed not less than 10 days after the serving of said complaint.

(c) The person so complained of shall have the right to file an answer to such complaint and to appear in person or otherwise, with or without counsel, and give testimony at the place and time fixed in the complaint.

(d) If upon all the testimony taken the Commission shall be of the opinion that any person named in the complaint has engaged in any such unfair employment practice, the Commission shall state its findings of fact and shall issue and cause to be served on such person an order requiring such person to cease and desist from such unfair employment practice and to take such affirmative action, including hiring or reinstatement of employees with or without back pay, as will effectuate the policies of this act. If, upon all the testimony taken, the Commission shall be of the opinion that no person named in the complaint has engaged in any such unfair employment practice, the Commission shall state its findings of fact and shall issue an order dismissing the said complaint.

(e) The Commission shall have power to petition any circuit court of appeals of the United States (including the United States Court of Appeals for the District of Columbia) or, if all the circuit courts of appeals to which application might be made are in vacation, any district court of the United States, within any circuit or district, respectively, wherein the unfair employment practice in question occurred, or wherein such person resides or transacts business, for the enforcement of such order and for appropriate temporary relief or restraining order, and shall certify and file in the court to which petition is made a transcript of the entire record in

the proceeding, including the pleadings and testimony upon which such order was entered and the findings and the order of the Commission. Upon such filing, the court to which petition is made shall conduct further proceedings in conformity with the procedures established by law governing petitions for enforcement of the orders of the National Labor Relations Board.

(f) Any person aggrieved by a final order of the Commission granting or denying in whole or in part the relief sought may obtain a review of such order in any circuit court of appeals of the United States (including the United States Court of Appeals for the District of Columbia) within any circuit wherein the unfair employment practice in question was alleged to have occurred or wherein such person resides or transacts business by filing in such court a written petition praying that the order of the Commission be modified or set aside. Upon such filing, the reviewing court shall conduct further proceedings in conformity with the procedures established by law governing petitions for review of the orders of the National Labor Relations Board.

INVESTIGATORY POWERS

SEC. 11. (a) For the purpose of all hearings and investigations which in the opinion of the Commission are necessary and proper for the exercise of the powers vested in it by this act, the Commission, or its duly authorized agents or agencies, shall at all reasonable times have access to, for the purpose of examination, and the right to copy any evidence of any person being investigated or proceeded against that relates to any matter under investigation or in question. Any member of the Commission shall have power to issue subpoenas requiring the attendance and testimony of witnesses and the production of any evidence that relates to any matter under investigation or in question, before the Commission, its member, agent, or agency conducting the hearing or investigation. Any member of the Commission, or any agent or agency designated by the Commission for such purposes, may administer oaths and affirmations, examine witnesses, and receive evidence. Such attendance of witnesses and the production of such evidence may be required from any place in the United States or any Territory or possession thereof, at any designated place of hearing.

(b) In case of contumacy or refusal to obey a subpoena issued to any person, any district court of the United States or the United States courts of any Territory or possession, or the District Court of the United States for the District of Columbia, within the jurisdiction of which the inquiry is carried on or within the jurisdiction of which said person guilty of contumacy or refusal to obey is found or resides or transacts business, upon application by the Commission shall have jurisdiction to issue to such person an order requiring such person to appear before the Commission, its member, agent, or agency, there to produce evidence if so ordered, or there to give testimony touching the matter under investigation or in question; and any failure to obey such order of the court may be punished by said court as a contempt thereof.

(c) No person shall be excused from attending and testifying or from producing books, records, correspondence, documents, or other evidence in obedience to the subpoena of the Commission, on the ground that the testimony or evidence required of him may tend to incriminate him or subject him to a penalty or forfeiture; but no individual shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence, except that such indi-

vidual so testifying shall not be exempt from prosecution and punishment for perjury committed in so testifying.

RULES AND REGULATIONS

SEC. 12. The Commission shall have authority from time to time to make, amend, and rescind such regulations as may be necessary to carry out the provisions of this act. Such regulations shall be effective 60 days after transmission to the Congress unless the Congress has in the interim amended or nullified such regulations by appropriate legislation or has adjourned within 10 days after the submission of such regulations. Such regulations shall set forth the procedure for service and amendment of complaints, for intervention in proceedings before the Commission, for rules of evidence to be applied by the Commission, for the taking of testimony and its reduction to writing, for the modification of the findings or orders prior to the filing of records in court, for the service and return of process and fees of witnesses, and with respect to the seal of the Commission, which shall be judicially noticed, the payment of expenses of members and employees of the Commission, the qualification and disqualification of members and employees and any other matters appropriate in the execution of the provisions of this act.

GOVERNMENT CONTRACTS

SEC. 13. (a) All contracting agencies of the Government of the United States shall include in all contracts hereafter negotiated or renegotiated by them a provision obligating the contractor not to discriminate against any employee or applicant for employment because of race, creed, color, national origin, or ancestry, and requiring him to include a similar provision in all subcontracts.

(b) Unless the Commission shall otherwise determine and state in its order, no contract shall be awarded by the United States or any agency thereof to any person found by the Commission to have violated any of the provisions of this act or to any firm, corporation, partnership, or association in which such person has a controlling interest, until 3 years have elapsed from the date when the Commission determines such violation to have occurred. The Comptroller General is authorized and directed to distribute a list to all agencies of the United States containing the names of such persons.

OFFENSES AND PENALTIES

SEC. 14. Any person who shall willfully resist, prevent, impede, or interfere with any member of the Commission or any of its referees, agents, or agencies, in the performance of duties pursuant to this act, shall be punished by a fine of not more than \$5,000 or by imprisonment for not more than 1 year, or both.

SEPARABILITY CLAUSE

SEC. 15. If any provision of this act or the application of such provision to any person or circumstance shall be held invalid, the remainder of such act or the application of such provision to persons or circumstances other than those to which it is held invalid shall not be affected thereby.

DEFINITIONS

SEC. 16. (1) The term "person" includes one or more individuals, partnerships, associations, corporations, legal representatives, trustees, trustees in bankruptcy, or receivers.

(2) The term "employer" includes any person acting in the interest of any employer, directly or indirectly.

(3) The term "labor union" includes any organization in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning the terms or conditions of employment.

(4) Unless otherwise specified, the term "Commission" means the Fair Employment

Practice Commission created by section 5 of this act.

(5) The term "Committee" means the Committee on Fair Employment Practice established by Executive Order No. 9346 of May 27, 1943.

(6) The term "commerce" means trade, traffic, commerce, transportation, or communication among the several States, or between the District of Columbia or any Territory of the United States and any State or other Territory or between any foreign country and any State, Territory, or the District of Columbia, or within the District of Columbia or any Territory, or between points in the same State but through any other State or Territory or the District of Columbia or any foreign country.

SEC. 17. This act may be cited as the "Fair Employment Practices Act."

Mr. BANKHEAD. Mr. President, for the benefit of students who hereafter may study the proceedings taken in connection with pending legislation, I ask unanimous consent to have Senate bill 101 printed at this point in the Record.

There being no objection, the bill (S. 101) was ordered to be printed in the Record, as follows:

Be it enacted, etc.—

FINDINGS AND DECLARATION OF POLICY

SECTION 1. The Congress finds that the practice of denying employment opportunities to, and discriminating in employment against, properly qualified persons by reason of their race, creed, color, national origin, or ancestry foment domestic strife and unrest, deprives the United States of the fullest utilization of its capacities for production, endangers the national security and the general welfare, and adversely affects commerce.

It is hereby declared to be the policy of the United States to eliminate such discrimination in all employment relations which fall within the jurisdiction or control of the Federal Government as hereinafter set forth.

RIGHT TO FREEDOM FROM DISCRIMINATION IN EMPLOYMENT

SEC. 2. The right to work and to seek work without discrimination because of race, creed, color, national origin, or ancestry is declared to be an immunity of all citizens of the United States, which shall not be abridged by any State or by an instrumentality or creature of the United States or of any State.

UNFAIR EMPLOYMENT PRACTICES DEFINED

SEC. 3. (a) It shall be an unfair employment practice for any employer within the scope of this act—

(1) to refuse to hire any person because of such person's race, creed, color, national origin, or ancestry;

(2) to discharge any person from employment because of such person's race, creed, color, national origin, or ancestry;

(3) to discriminate against any person in compensation or in other terms or conditions of employment because of such person's race, creed, color, national origin, or ancestry; and

(4) to confine or limit recruitment or hiring of persons for employment to any employment agency, placement service, training school or center, labor union or organization, or any other source that discriminates against persons because of their race, color, creed, national origin or ancestry.

(b) It shall be an unfair employment practice for any labor union within the scope of this act—

(1) to deny full membership rights and privileges to any person because of such person's race, creed, color, national origin, or ancestry;

(2) to expel from membership any person because of such person's race, creed, color, national origin, or ancestry; or

(3) to discriminate against any member, employer, or employee because of such person's race, creed, color, national origin, or ancestry.

(c) It shall be an unfair employment practice for any employer or labor union within the scope of this act to discharge, expel, or otherwise discriminate against any person because he has opposed any practices forbidden by this act or because he has filed a charge, testified, or assisted in any proceeding under this act.

SCOPE OF ACT

SEC. 4. (a) This act shall apply to any employer having in his employ six or more persons, who is (1) engaged in interstate or foreign commerce or in operations affecting such commerce; (2) under contract with the United States or any agency thereof or performing work, under subcontract or otherwise, called for by a contract to which the United States or any agency thereof is a party, awarded, negotiated, or renegotiated as hereinafter provided in section 13 of this act.

(b) This act shall apply to any labor union which has six or more members who are engaged in interstate or foreign commerce or operations affecting such commerce or employed by the United States or any Territory, insular possession, or instrumentality thereof.

(c) This act shall apply to the employment practices of the United States and of every Territory, insular possession, agency, or instrumentality thereof, except that paragraphs (e) and (f) of section 10, providing for petitions for enforcement and review, shall not apply in any case in which an order has been issued against any department or independent agency of the United States; but in any such case the Fair Employment Practice Commission established by section 5 of this act may petition the President for the enforcement of any such lawful order, and it shall thereupon be the duty of the President to take such measures as may secure obedience to any such order. Every officer, agent, or employee who willfully violates any such order shall be summarily discharged from the Government employ.

FAIR EMPLOYMENT PRACTICE COMMISSION

SEC. 5. For the purpose of securing enforcement of the foregoing rights and preventing unfair employment practices on the part of employers and labor unions, there is hereby established a Commission to be known as the Fair Employment Practice Commission, which shall consist of a Chairman and four additional members to be appointed by the President, by and with the advice and consent of the Senate, who shall serve for a term of 5 years, except that the terms of the members originally appointed shall expire serially at intervals of 1 year. Any member of the Commission may be removed by the President, upon notice and hearing, for neglect of duty or malfeasance in office, but for not other cause. Three members of the Commission shall at all times constitute a quorum.

REPORTS

SEC. 6. The Commission shall at the close of each fiscal year make a report in writing to the Congress and to the President concerning the cases it has heard, the decisions it has rendered, the names, salaries, and duties of all employees and officers in the employ or under the supervision of the Commission, and an account of all moneys it has disbursed, and shall make such further reports on the cause of, and means of alleviating discrimination, and such recommendations for further legislation as may appear desirable.

SALARIES

SEC. 7. Each member of the Commission shall receive a salary of \$10,000 a year, shall be eligible for reappointment, and shall not

engage in any other business, vocation, or employment.

TERMINATION OF COMMITTEE ON FAIR EMPLOYMENT PRACTICE

SEC. 8. Upon the appointment of the members of the Commission, the Committee on Fair Employment Practice, established by Executive Order No. 9346 of May 7, 1943, shall cease to exist. All employees of the said Committee shall be transferred to and become employees of the Commission. All records, papers, and property of the Committee shall pass into the possession of the Commission, and all unexpended funds and appropriations for the use and maintenance of the Committee shall be available to the Commission.

LOCATION OF OFFICES

SEC. 9. The Commission shall hold its sessions in the District of Columbia and at such other places as it may designate. The Commission may, by one or more of its members or by such referees, agents, or agencies as it may designate, prosecute any inquiry or conduct any hearing necessary to its functions in any part of the United States or any Territory or insular possession thereof.

PROHIBITION OF UNFAIR EMPLOYMENT PRACTICES

SEC. 10. (a) The Commission is empowered as herein provided to prohibit any person from engaging in any unfair employment practices within the scope of this act.

(b) Whenever it is alleged that any person has engaged in any such unfair employment practice, the Commission, or any referee, agent, or agency designated by the Commission for such purposes, shall have power to issue and cause to be served upon such person a complaint stating the charges in that respect and containing a notice of hearing before the Commission or a member thereof, or before a designated referee, agent, or agency at a place therein fixed not less than 10 days after the serving of said complaint.

(c) The person so complained of shall have the right to file an answer to such complaint and to appear in person or otherwise, with or without counsel, and give testimony at the place and time fixed in the complaint.

(d) If upon the record, including all the testimony taken, the Commission shall find that any person named in the complaint has engaged in any such unfair employment practice, the Commission shall state its findings of fact and shall issue and cause to be served on such person an order requiring such person to cease and desist from such unfair employment practice and to take such affirmative action, including reinstatement or hiring of employees with or without back pay, as will effectuate the policies of this act. If upon the record, including all the testimony taken, the Commission shall find that no person named in the complaint has engaged in any such unfair employment practice, the Commission shall state its findings of fact and shall issue an order dismissing the said complaint.

(e) The Commission shall have power to petition any circuit court of appeals of the United States (including the United States Court of Appeals for the District of Columbia) or, if all the circuit courts of appeals to which application might be made are in vacation, any district court of the United States, within any circuit or district, respectively, wherein the unfair employment practice in question occurred, or wherein such person resides or transacts business, for the enforcement of such order and for appropriate temporary relief or restraining order, and shall certify and file in the court to which petition is made a transcript of the entire record in the proceeding, including the pleadings and testimony upon which such order was entered and the finding, and the order of the Commission. Upon such filing, the court to which petition is made shall conduct further proceedings in conform-

ity with the procedures and limitations established by law governing petitions for enforcement of the orders of the National Labor Relations Board.

(f) Any person aggrieved by a final order of the Commission granting or denying in whole or in part the relief sought may obtain a review of such order in any circuit court of appeals of the United States (including the United States Court of Appeals for the District of Columbia) within any circuit wherein the unfair employment practice in question was alleged to have occurred or wherein such person resides or transacts business by filing in such court a written petition praying that the order of the Commission be modified or set aside. Upon such filing, the reviewing court shall conduct further proceedings in conformity with the procedures and limitations established by law governing petitions for review of the orders of the National Labor Relations Board.

INVESTIGATORY POWERS

SEC. 11. (a) For the purpose of all hearings and investigations which in the opinion of the Commission are necessary and proper for the exercise of the powers vested in it by this act the Commission, or its duly authorized agents or agencies, shall at all reasonable times have access to, for the purpose of examination, and the right to copy any evidence of any person being investigated or proceeded against that relates to any matter under investigation or in question. Any member of the Commission shall have power to issue subpoenas requiring the attendance and testimony of witnesses and the production of any evidence that relates to any matter under investigation or in question, before the Commission, its member, agent, or agency conducting the hearing or investigation. Any member of the Commission, or any agent or agency designated by the Commission for such purposes, may administer oaths and affirmations, examine witnesses, and receive evidence. Such attendance of witnesses and the production of such evidence may be required from any place in the United States or any Territory or possession thereof, at any designated place of hearing.

(b) In case of contumacy or refusal to obey a subpoena issued to any person, any district court of the United States or the United States courts of any Territory or possession, or the District Court of the United States for the District of Columbia, within the jurisdiction of which the inquiry is carried on or within the jurisdiction of which said person guilty of contumacy or refusal to obey is found or resides or transacts business, upon application by the Commission shall have jurisdiction to issue to such person an order requiring such person to appear before the Commission, its member, agent, or agency, there to produce evidence if so ordered, or there to give testimony touching the matter under investigation or in question; and any failure to obey such order of the court may be punished by said court as a contempt thereof.

(c) No person shall be excused from attending and testifying or from producing books, records, correspondence, documents, or other evidence in obedience to the subpoena of the Commission, on the ground that the testimony or evidence required of him may tend to incriminate him or subject him to a penalty or forfeiture; but no individual shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence, except that such individual so testifying shall not be exempt from prosecution and punishment for perjury committed in so testifying.

RULES AND REGULATIONS

SEC. 12. The Commission shall have authority from time to time to make, amend,

and rescind such regulations as may be necessary to carry out the provisions of this act. Such regulations shall be effective 60 days after transmission to the Congress unless the Congress has in the interim amended or nullified such regulations by appropriate legislation or has adjourned within 30 days after the submission of such regulations. Such regulations shall include the procedure for service and amendment of complaints, for intervention in proceedings before the Commission, for the taking of testimony and its reduction to writing, for the modification of the findings or orders prior to the filing of records in court, for the service and return of process and fees of witnesses, and with respect to the seal of the Commission, which shall be judicially noticed, the payment of expenses of members and employees of the Commission, the qualification and disqualification of members and employees, and any other matters appropriate in the execution of the provisions of this act.

GOVERNMENT CONTRACTS

Sec. 13. (a) All contracting agencies of the Government of the United States shall include in all contracts hereafter awarded, negotiated, or renegotiated by them, except such classes of contracts as may be exempted from the scope of this provision by regulation adopted pursuant to section 12 of this act, a provision obligating the contractor not to discriminate against any employee or applicant for employment because of race, creed, color, national origin, or ancestry, and requiring him to include a similar provision in all subcontracts.

(b) No contract shall be awarded or executed by the United States or any agency thereof to any person found by the Commission to have violated any of the provisions of this act or to any firm, corporation, partnership, or association in which such person has a controlling interest, for a period to be fixed by the Commission not to exceed 3 years from the date when the Commission determines such violation to have occurred. The Commission may by subsequent order, for good cause shown, reduce any period so fixed. The Comptroller General is authorized and directed to distribute a list to all agencies of the United States containing the names of such persons.

WILLFUL INTERFERENCE WITH COMMISSION AGENTS

Sec. 14. Any person who shall willfully resist, prevent, impede, or interfere with any member of the Commission or any of its referees, agents, or agencies, in the performance of duties pursuant to this act, shall be punished by a fine of not more than \$5,000 or by imprisonment for not more than 1 year, or both.

SEPARABILITY CLAUSE

Sec. 15. If any provision of this act or the application of such provision to any person or circumstance shall be held invalid, the remainder of such act or the application of such provision to persons or circumstances other than those to which it is held invalid shall not be affected thereby.

DEFINITIONS

Sec. 16. (1) The term "person" includes one or more individuals, partnerships, associations, corporations, legal representatives, trustees, trustees in bankruptcy, or receivers.

(2) The term "employer" includes any person acting in the interest of any employer, directly or indirectly, and includes the United States and every Territory, insular possession, and agency or instrumentality thereof.

(3) The term "labor union" includes any organization in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning the terms or conditions of employment.

(4) Unless otherwise specified, the term "Commission" means the Fair Employment

Practice Commission created by section 5 of this act.

(5) The term "Committee" means the Committee on Fair Employment Practice established by Executive Order No. 9346 of May 27, 1943.

(6) The term "commerce" means trade, traffic, commerce, transportation, or communication among the several States, or between the District of Columbia or any Territory of the United States and any State or other Territory or between any foreign country and any State, Territory, or the District of Columbia, or within the District of Columbia or any Territory, or between points in the same State but through any other State or Territory or the District of Columbia or any foreign country.

(7) The term "affecting commerce" means in commerce, or burdening or obstructing commerce or the free flow of commerce, or having led or tending to lead to a labor dispute burdening or obstructing commerce or the free flow of commerce.

Sec. 17. This act may be cited as the "Fair Employment Practice Act."

Mr. BANKHEAD. Mr. President, I wish to call attention to the similarity between Senate bill 101 and the Marcantonio bill. I ask students of the subject to compare section 1 of the Marcantonio bill with the corresponding section of the pending bill. I ask them to compare section 3 of the pending bill, Senate bill 101, which defines unfair employment practices with section 3 of the Marcantonio bill. I ask them to compare section 10 of the pending bill with section 5 of the Marcantonio bill. I ask them to make a comparison of subsection (e) of section 10 of the pending bill, Senate bill 101, with section 8 of the Marcantonio bill. I ask them to make a comparison of subsection (f) of section 10 of the pending bill, Senate bill 101, with section 8 of the Marcantonio bill. I ask students of the subject to compare section 12 of the pending bill with section 12 of the Marcantonio bill. I ask them to make a comparison of section 13 of the pending bill with section 5 of the Marcantonio bill. I ask them to make a comparison of section 15 of the pending bill with section 13 of the Marcantonio bill. I ask them to make a comparison of section 16 of the pending bill with sections 2 and 3 of the Marcantonio bill.

Mr. President, much has been said about the politics involved in this bill. The subject has been raised on several occasions during the course of this debate. I have endeavored to appraise as best I could the attitude of both parties, from a political standpoint, on this measure. Of course, as we recall, this subject was originally presented to us by President Roosevelt, by means of his Executive orders; but those Executive orders, as will be found by reading them, are exceedingly mild and without force or compulsion such as that provided for in these bills. Still, those Executive orders came from the Democratic Party.

Then, following the introduction of Mr. MARCANTONIO's bill, Mr. Scanlon introduced his bill. It is exactly like the one we are now considering, Senate bill 101. Mr. Scanlon was a Democrat.

Then along came Mr. DAWSON. On the day after Mr. Scanlon introduced his bill, Mr. Dawson introduced exactly the same bill. He is a Democrat from Illinois.

Then came Mr. LAFOLLETTE. On the same day he introduced House bill 4005. He is a Member of the House of Representatives, and is a Republican from the State of Indiana. The bill he introduced follows the real pattern or fashion set in the Marcantonio bill.

Then came the first Chavez bill, on June 23, 1944. It is to be noted that all the other bills were introduced in January, nearly 5 months before the Chavez bill—as we shall call it here—the bill now under consideration—was introduced. That bill was the one which was introduced by the Senator from New Mexico [Mr. CHAVEZ] and other Senators, the same authors as those of the pending bill, except that I believe the Senator from Vermont [Mr. AIKEN] has been recorded as an author of the pending bill and not of the other bill. I refer to Senate bill 2048, which was introduced on June 24, 1944, a bill which was word for word, "t" for "t," and "i" for "i" the same as the bills which were introduced by Representatives Scanlon, Dawson, and LaFollette. Later, on January 6, 1945, the pending bill was introduced. The authors of that bill are the same as those of the bill which was introduced June 24, 1944.

On January 3, 1945, Representative NORTON introduced House bill 523.

On January 4, 1945, Representative BALDWIN of New York introduced House bill 679.

On January 6, 1945, the pending bill was introduced.

On January 11, 1945, Representative HOOK, a Democrat, from Michigan, introduced a similar bill.

On January 17, 1945, Representative DIRKSEN of Illinois introduced a bill which I have not compared with the pending bill.

On January 24, 1945, Representative POWELL introduced House bill 1743. He is a Democrat and a Negro. He may be proud of that fact, and I do not criticize him for it.

On January 25, 1945, Representative BENDER of Ohio, a Republican, introduced the same bill as the one which is now before us.

On January 29, 1945, Representative DOUGLAS of California introduced House bill 1806.

On January 29, the same day, Representative CLASON of Massachusetts, a Republican, introduced a similar bill.

On January 31 Representative DOYLE, a Democrat from California, introduced substantially the same bill.

On the same date, January 31, Representative HOFFMAN, a Republican from Michigan, introduced the same kind of a bill.

On February 4, 1946, the Senator from Ohio [Mr. TAFT] introduced a bill, but it was not patterned after the others, and that may be said to his credit. I am glad to say it, because he is opposed to the pending bill, although he is in favor of cloture. I have been advised that he was opposed to the bill being reported by the committee.

Mr. President, the authors of those bills comprise about six Republicans and about six Democrats. It looks as though there were a scramble of Representatives

to secure a good position on this subject. The number of Republicans and the number of Democrats in this respect are about equal.

I do not believe that politically there is any advantage to be gained by either party in this situation. I do not believe that either party will get out of this matter any particular credit, because north of the Mason and Dixon's line we find in the main Democrats and Republicans, all of whom want to make a record, especially in the States in which there is a substantial number of Negro votes.

What is the next step by which we can determine whether one party has an advantage over the other, or can appeal to the colored vote through the type of work which is being done in connection with the fostering of the pending bill? I do not know the price which they are willing to pay for serving their country, but I know that so far as many of the States of this country are concerned, they are doing a disservice.

Mr. President, we find that a cloture petition has been brought into the picture. What has happened with respect to it? We find on the petition the names of 48 signers. How do they stand politically? Twenty-four Democrats and 24 Republicans signed the petition. The filing of the petition was delayed for almost a week. I do not know whether it was done by shuffling around to see whether the Democrats could obtain one or more additional signers, or whether the Republicans could obtain one or more additional signers, and thereby have a majority. I do not make such a charge, but I know that before the petition was filed some of us were advised that neither party had obtained any additional signers to the petition. But the whole thing looks like a horse race without our leader taking the position of the leading jockey. That is the position which we now occupy. It is a horse race between the two parties, with the contestants running neck and neck until they go under the wire.

Mr. President, it is very regrettable that political issues of the character which have been raised here are being pressed at this time upon the Congress of the United States. In the South very few complaints have been made by the Committee on Fair Employment Practice. Yet, various newspapers have carried articles, and commentators have talked from time to time about the southern filibuster, as though we southern Senators were the cause of the entire situation.

In the first place, I wish to say—and I think every Senator on this floor will agree with me—that the debate which has taken place in connection with the pending bill has been one in which information, logic, and arguments on economics, on the Constitution, and on many legal phases of this bill have been brought forward. The time has not been consumed in reading from newspapers, books, and roll calls which took up much of the time of previous filibusters. Still, there are those who talk about these southern filibusters. We have discussed the proposal. We have pointed out the viciousness of this bill and its unconstitutionality of it until there are not many

Members of the Senate who, in my judgment, would be willing to vote for the bill in its present form. At any rate, we believe that we have rendered a splendid service to the people of the United States. I shall not go into the merits of the matter at this late hour. I want the RECORD to show, however, that there has been no filibuster upon this measure, although I am not ashamed of filibustering if the very foundations of my section are threatened, whether the threats be of an economic, social, or other character. When proposed legislation is brought before the Senate which appears to be directed at any section of this country, be it the West, East, North, or South, I will join any group of Senators in filibustering it to death. I have no apologies to make in that regard. But, I repeat, Mr. President, there has been no filibustering in the Senate in connection with the pending bill, and all the statements made to the contrary in the newspapers from day to day, are incorrect. Statements have been made that the southern filibusterers are still filibustering the bill, and those statements are made for the purpose of striking at the South.

Mr. President, I have before me a table listing the complaints which were filed with the Committee on Fair Employment Practice during the period from August 1, 1943, to January 1, 1946, including complaints made in Southern States during the same period. I ask unanimous consent that the table be printed in the RECORD at this point as a part of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Total number of cases docketed by States
Aug. 1, 1943, to Jan. 1, 1946

Connecticut.....	63
Massachusetts.....	130
New Hampshire.....	1
Maine.....	1
Rhode Island.....	3
Vermont.....	0
New York.....	1,313
New Jersey.....	253
Delaware.....	9
Pennsylvania.....	852
Maryland.....	144
District of Columbia.....	280
Virginia.....	119
West Virginia.....	20
North Carolina.....	44
Ohio.....	502
Michigan.....	708
Kentucky.....	43
Illinois.....	703
Indiana.....	162
Wisconsin.....	26
Alabama.....	116
Georgia.....	222
Tennessee.....	138
Mississippi.....	14
South Carolina.....	35
Florida.....	113
North Dakota.....	0
South Dakota.....	1
Nebraska.....	29
Iowa.....	26
Minnesota.....	16
Missouri.....	534
Kansas.....	78
Oklahoma.....	24
Arkansas.....	24
Texas.....	437
Louisiana.....	146
New Mexico.....	39
Utah.....	9

Idaho.....	0
Colorado.....	34
Wyoming.....	10
Montana.....	12
California.....	1,080
Washington.....	97
Oregon.....	33
Arizona.....	77
Nevada.....	30
Total.....	8,750

Mr. BANKHEAD. Mr. President, as shown by the table, 8,750 complaints were filed with the Committee on Fair Employment Practice during the period from August 1, 1943, to January 1, 1946. Of those complaints only 1,450 were filed in the 12 Southern States. That constitutes 16 percent of the total number of complaints filed before the Commission charging unfair employment practices.

In the Southern State 26 percent of the total population of this country resides, and out of that whole 26 percent of the population only 16 percent of the complaints have been made about unfair trade practices and discriminations against the Negro.

I do not want to take further time. I know the Senate is anxious to proceed to other matters. I wish to put into the RECORD at this point, however, a list of the Southern States showing the number of complaints filed in each Southern State, constituting 16 percent of the complaints, and the population of the same States, showing that it is 26.4 percent of the total population of the country.

The PRESIDING OFFICER (Mr. McCLELLAN in the chair). Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Total FEPC cases in United States..... 8,750
FEPC cases in Southern States..... 1,451

Southern FEPC cases are 16.6 percent of total cases.

Cases	
Virginia.....	119
North Carolina.....	44
South Carolina.....	35
Kentucky.....	43
Alabama.....	116
Georgia.....	222
Tennessee.....	138
Mississippi.....	14
Florida.....	113
Arkansas.....	24
Texas.....	437
Louisiana.....	146

Total..... 1,451

Total population of United

States..... 131,669,275

Population of Southern States..... 34,676,653

Population of Southern States is 26.3 percent of total population.

Population	
Southern States:	
Virginia.....	2,677,773
North Carolina.....	3,571,623
South Carolina.....	1,899,804
Georgia.....	3,123,723
Florida.....	1,897,414
Kentucky.....	2,845,627
Tennessee.....	2,915,841
Alabama.....	2,832,961
Mississippi.....	2,183,796
Arkansas.....	1,949,387
Louisiana.....	2,363,880
Texas.....	6,414,824

Total..... 34,676,653

Mr. BANKHEAD. Mr. President, in conclusion I wish to express the hope

that such a legislative proposal as the one before us will not be brought here again at an early date. I am sure the Senate has been convinced that the South is doing its full part by the Negro, that it is spending of the taxes collected as much per capita upon the colored people as upon the white people. Notwithstanding the small income of the people of the South as compared with the Northern and Eastern States, the South is forgetting that, and doing all anyone could expect of it to improve the condition of the Negro in that section.

Why does anyone wish to disturb that situation? The Negroes in the South are not asking, the intelligent Negroes do not want social race equality, which is involved in the program, and we all know it. They do not want to have such a thing as that forced on them. They are proud of their own race. Some of the northern folk do not understand that. They have not the same type of Negro in the North as in the South, constituting the great majority of the Negro race in this country. The Negroes are proud of their race, they are educating their children, they are seeking to improve their condition economically and otherwise.

Why not let us alone? The Negroes of the South are not appealing to anyone. There is no society for the advancement of the colored race in the South, as there is in the North—a political organization. They are going along making progress, are proud of their race, and we feel great interest in them.

All we ask the northern people to do is to let us alone. If the northern people have trouble in their own States, let them settle it within their legislatures, settle it locally, where the people understand their situation, and where they have their court procedure.

We know the trouble that occurred in some States during the prohibition era. A great many States had adopted prohibition for themselves, and then there arose a clamor among enthusiasts that it should be put on States which did not want it. That view prevailed, and what was the result? Did that advance the cause of temperance? Did it advance the cause of effective prohibition? No; it did not. On the contrary, it broke down, weakened, and destroyed sentiment which had been built up by temperance advocates over a long period of years, because compulsion in a national way was put upon the States of this Nation.

Why should not the Senators from the North, from above the Mason and Dixon's line, proceed with their effort to get legislation in the various States where some relief is needed from unfair race practices? There is no use of legislation if there is not an evil, and if there is an evil, there is more chance of regulating it under the police power of the States than there is under the Federal Constitution. No one doubts the right of the States to regulate such an evil.

If there really is a desire to serve the cause of the colored people in the mat-

ter of employment, if there is a desire to promote them in the matter of social equality with the white people, or intermarriage, whatever anyone wants to do for them, let the States take such action as they may see fit. We are not interfering with that. But I submit, in the interest of fairness and justice, in the interest of the colored people, that we who have been here fighting this measure know them better than any of the Northern people know them or could possibly know them. We have been reared among them, our fathers were reared among them, we understand them. We are trying to help them. We have been helping them all the years since slavery was abolished.

I appeal to Senators. We know the proposed legislation will not pass this week, but some zealous for it may want to bring it up again, or something similar to it. I appeal to them to consider carefully whether a national program of this sort is better than individual State programs applied where conditions demand. If such measures cannot be passed in the States, then I submit the proponents of this measure are going beyond reasonable bounds in coming here and voting to put it on States other than their own States, if their own States do not want it, as shown by the action of their State legislatures.

FIRST SUPPLEMENTAL APPROPRIATION RESCISSION ACT, 1946

Mr. McKELLAR. Mr. President, it will be remembered that after the war closed the Appropriations Committees of the two Houses reported a bill for rescission of many of the appropriations which had been made by the Congress for carrying on the war. The appropriations amounted to over \$50,000,000,000.

The bill passed both Houses, but the President vetoed it because of one item concerning USES. The bill was not acted upon by the two Houses after that, until the House passed H. R. 5158. That bill came to the Senate and was referred to the Committee on Appropriations, and on February 4 was reported favorably to the Senate by that committee.

The bill as recommended by the committee, with one exception, is precisely the same in form and content as the similarly entitled bill—H. R. 4407—as finally approved by the House and Senate and transmitted to the President, except that it excludes the provision contained in H. R. 4407 for the return to the States of the employment services which were loaned to the Federal Government at the beginning of 1942. The following is a summation of the rescissions provided for in the former and accompanying measures:

Executive departments and various independent agencies:	Amounts rescinded
Cash	\$2,945,503,585
Contractual authorization	929,961,208
Military Establishment:	
Cash	30,263,923,993
Naval Establishment:	
Cash	14,370,159,964
Contractual authorization	3,276,072,671
Corporate funds	1,190,500
Total	51,786,811,921

The earlier bill, as passed by the House, included provision for the States to resume control of their loaned employment services on the thirtieth day after the enactment of such bill. A more comprehensive provision was substituted by the Senate, and, as finally agreed to by the House and Senate, provided for the return of the employment services to the States on or before the one hundredth day after the enactment of the bill.

The President's objection to H. R. 4407 is because of his opposition to the provision contained therein for the return to the States of their loaned employment services at the height of the period of demobilization and reconversion. His position is made clear in his memorandum announcing that he had not approved the bill, issued on December 22, 1945, and which appears on pages 12547-12549 of the CONGRESSIONAL RECORD of December 21, 1945.

On January 29, 1946, the House of Representatives passed H. R. 4437 entitled "An act to provide for the return of public employment offices to State operation, to amend the act of Congress approved June 6, 1933, and for other purposes," and that bill is now pending in the Senate Committee on Education and Labor.

The bill as originally presented to the President and the pending bill carries a provision that the Secretary of War and the Secretary of the Navy shall on or before January 3, 1946, submit to the Congress a joint recommendation for revision of the Pay Adjustment Act of 1942, as amended, including but not restricted to recommendations with respect to increases authorized for flying pay, parachute pay, glider pay, submarine pay, and similar special pay and allowances. Inasmuch as January 3 is long past and in order that the departments may have sufficient time in which to make their recommendations as contemplated by the provision referred to, the committee is amending the bill by striking out the date "January 3, 1946," and inserting in lieu thereof the date "February 28, 1946." This is the only amendment recommended by the committee.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. WHITE. This is what is known as the rescission bill is it not?

Mr. McKELLAR. Yes. What it proposes to do is merely to cancel an enormous number of appropriations which are no longer necessary because the war has ended.

Mr. WHITE. I did not know the bill was to be taken up this afternoon and I have had no opportunity of consulting minority members of the committee. Let me ask specifically, is this arrangement satisfactory to the senior Senator from New Hampshire [Mr. BRIDGES], the ranking minority member of the Committee on Appropriations?

Mr. McKELLAR. It is.

Mr. WHITE. Then, I have no objection.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 5158) reducing certain appropriations and contract authorizations available for

the fiscal year 1946, and for other purposes.

THE PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 5158) reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes, which had been reported from the Committee on Appropriations with an amendment on page 39, line 4, after the word "before", to strike out "January 3" and to insert "February 28."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

FAIR EMPLOYMENT PRACTICE ACT

The Senate resumed the consideration of the bill (S. 101) to prohibit discrimination in employment because of race, creed, color, national origin, or ancestry.

MR. CAPEHART. Mr. President, will the Senator from Louisiana yield to me?

MR. ELLENDER. I yield.

MR. CAPEHART. Mr. President, I ask unanimous consent that the amendments proposed by me on January 25 to S. 101, the FEPC bill, be printed in the RECORD, and that that may be deemed to be in compliance with the cloture rule as to their presentation for proposing at a subsequent time.

THE PRESIDING OFFICER (Mr. MAYBANK in the chair). Without objection, it is so ordered.

The amendments intended to be proposed by Mr. CAPEHART are as follows:

On page 12, line 13, strike out "(a)."

On page 12, beginning with line 23, strike out all down through line 10 on page 13.

On page 2, line 10, after "United States" strike out all down through the word "State" in line 12.

On page 1, line 6; page 3, line 1; and page 3, line 4, strike out the word "persons" in each case and insert in lieu thereof the word "citizens."

On page 2, line 16; page 2, line 18; page 2, line 21; page 3, line 9; page 3, line 11; and page 3, lines 19 and 20, strike out the word "person" in each case and insert in lieu thereof the word "citizen."

On page 2, line 17; page 2, line 19; page 2, line 23; page 3, line 9; page 3, line 12; and page 3, line 15, strike out the word "person's" in each case and insert in lieu thereof the word "citizen's."

On page 3, line 14, after the word "any" insert the word "citizen."

On page 3, line 25; and page 4, line 9, strike out the word "six" in each case and insert in lieu thereof the word "fifty."

On page 13, line 16, strike out "\$5,000" and insert in lieu thereof "\$1,000."

On page 13, line 17, strike out "one year" and insert in lieu thereof "thirty days."

MR. HATCH. Mr. President, will the Senator from Louisiana yield to me?

MR. ELLENDER. I yield to the Senator if by doing so I do not lose the floor.

MR. HATCH. I have not heretofore participated in the debate on the pending bill except possibly to ask a question or two. I think, however, that my attitude toward the bill is quite generally known, as I have in no way attempted to conceal my views. I have said, Mr. President, that I cannot support or vote

for Senate bill 101. More than that, I have said that I cannot support and will not support cloture. Some of my friends, both in and out of the Senate, have expressed some surprise at my attitude in this regard. Perhaps therefore I should make a brief explanation of why I assume this position. That I shall endeavor to do, and I shall be as brief as possible.

Mr. President, this measure in its opening paragraph recites:

That the Congress finds—

This is a finding of fact made by the Congress of the United States that conditions in this country are such—

that the practice of denying employment opportunities to, and discriminating in employment against, properly qualified persons by reason of their race, creed, color, national origin, or ancestry, foments domestic strife and unrest, deprives the United States of the fullest utilization of its capacities for production, endangers the national security and the general welfare, and adversely affects commerce.

Mr. President, if Congress should pass this proposed legislation in its present form it would adopt the language I have just read as an absolute finding of fact as to the actual conditions which exist in the United States today. If I had no other reason in the world for opposing the bill than that I would vote against it, because I believe such a finding of fact would be false. It is plain, Mr. President, why that finding is set forth in the bill. It is an attempt to justify the exercise by the Federal Congress of the power to enact such legislation by giving color of compliance with the Constitution of the United States. I do not know whether from a legal standpoint, it could have that effect or not, but I know, even if such attempt is made to make the bill constitutional, that no law can justly rest upon a false foundation.

I sat on the bench at one time during my career. I heard many cases without the aid of a jury, and I necessarily made findings of fact and conclusions of law, and in nearly every case the conclusions of law had to be based upon the facts which were found. I am not speaking of myself now as a judge, but I know of no judge in the United States, either State or Federal, who would willfully and deliberately make a false finding of fact in order to render the kind of legal judgment he wanted to make. I do not at all challenge the motives of those who sponsor this legislation; I do not question their sincerity and good intentions, but as I read this measure and as I view conditions in the United States, if I voted for the bill and made that finding of fact I would be in exactly the same position as a judge on the bench who deliberately made a false finding of fact in order that he might sustain a legal judgment he wanted to make. That Mr. President, of course, I cannot do.

The paragraph refers to discriminations because of race, creed, national origin, and ancestry, placing, perhaps, on the same basis with the color line, which has been mentioned, the question of religious freedom in this country. Mr. President, I do not know of any place in the United States where a man is denied a chance to work on account of

any particular creed to which he may adhere. There was a time when the differences between our religious denominations were such that there may have been discriminations of this kind, and perhaps they exist in some degree in some places today. I do not know. But I know that in the process of the years we have decidedly gotten away from those differences of religion, until, I think, today in America it can be said that we truly have religious freedom, and men are not discriminated against because of their religious views. I would regret deeply to insert in a bill of this kind the statement that in my country differences of religion are such that the welfare of America is jeopardized and the commerce of the Nation is interfered with because men by reason of their religious beliefs cannot secure employment. I simply do not believe that to be true.

It may be that in some sections of the country there is discrimination on the ground of nationality, other than the question of race. If that be true, it is to be deeply regretted. I would do anything I could to remove any such discriminations which might exist. As I shall presently say with respect to the colored race, I believe that when we attempt to force by law tolerance, respect, mutual good will, and such things, we are only aggravating the conditions which we seek to improve. I am eliminating from this consideration of the bill all those things relating to religion, to creed, to ancestry, and to national origin—everything except the question which I consider to be paramount, and that is so-called discrimination in America against the black man.

Mr. President, I am not begging the question. I concede that in this country there is discrimination against the black man. But in making that statement I do not confine it to the South. Discrimination against the colored man can be found in the North. It can be found to some extent in every section in America where the colored man lives, in every State in the Union.

But, Mr. President, even though I agree that such discrimination exists—and I do admit it, and regret it—I cannot agree that it can be cured by an act of Congress. I agree that the opportunities to work are limited for the colored man. I know that there are many places where he cannot secure a job simply because he is a black man. I say that that is a tragedy. It represents a failure of the white man, and to some extent a failure of the black man. But I repeat that it is not a thing that we can cure by law. Equality of opportunity to work, economic equality—yes, political equality—cannot be forced by law.

Perhaps some may be startled when I say that political equality is not enforced by law in America. We come nearer to it than any other nation in the world, but true political equality does not exist in America. Again, that condition is not confined to the South. The lack of political equality exists today in the North, in the East, and in the West. If we are to be truthful and candid we must admit that to be true. Yet we fought a bloody civil war in this coun-

try; we amended the Constitution of the United States; we had the Emancipation Proclamation; and statute after statute was enacted by Congress in an effort to confer political equality. Senators know, and I know, that those attempts have not been altogether successful.

I am not discouraged, although nearly 75 years have passed and that goal has not yet been attained. I believe that eventually, by using wisdom and understanding on both sides, we may approach nearer to true political equality. I mention that only to say this: After all the trials and tribulations, the bloodshed, the laws, and the constitutional amendments, when nearly 75 years have passed and political equality does not truly exist, how can Senators deceive themselves into thinking that by enacting an unconstitutional law we can create economic equality? It may be all right for Senators to deceive themselves if they desire to do so. It may be all right to enact a law declaring that certain conditions exist, and setting up the machinery which the bill would establish, in an effort to force upon American citizens a system of which they do not approve and for which they will not stand, by a law which they will not obey, in the belief that we are helping the situation. If Senators wish to deceive themselves by doing so, let them pass this type of bill. But I for one will not deceive myself, or the people whom I represent, by saying that this bill will do that which I know it will not do.

Mr. President, I have stated that in my opinion the bill is unconstitutional. I think it is. I shall not take the time today to discuss the constitutional phases of the bill; but I wish to say that, in addition to violating some of the fundamental principles of the Constitution itself, I feel that this measure will, if it ever becomes a law, transgress and invade the most sacred American principles contained in the Bill of Rights. I do not believe that we can create freedom of equality or opportunity in one group by transgressing the principles of freedom and equality with respect to other groups. I say that members of the group which this bill is intended to help might well be the ones most seriously injured by a violation of the fundamental principles of the Constitution and the Bill of Rights.

No, Mr. President; I do not believe that the bill is constitutional. I believe that it transgresses the Bill of Rights. For those reasons I cannot vote for the measure. But I am still not begging the question. Even if the bill were constitutional, even if it did not transgress the Bill of Rights, I would still vote against it. I would vote against it simply because I happen to know—or at least I think I know—of some of the conditions and some of the feelings which exist in certain sections of the country, even though such feelings may represent a minority sentiment. I know how strongly certain of our people feel about legislation of this kind, in sections where the greatest number of the people who would be affected by the bill dwell. It is my judgment—and it is a considered judgment, one which has not been quickly arrived at—that if we should at-

tempt to enforce the principles of this bill in those sections of the country we would create a far worse condition than the one which we are attempting to cure. I do not say that the conditions in those sections of the country are right. I know that they are deplored by many people who live there, and that honest, intelligent men and women are trying their best to cure some of those conditions. I hope that eventually they will succeed.

There are some things that cannot be done by law. There are some things that men will do voluntarily because they are right; but the minute an attempt is made to force them to do even that which is right, they rebel. I know that the proposed law could not and would not be enforced. I believe that if an attempt were made to enforce it in accordance with the language of the bill, it would create antagonisms; it would create conditions which would take many years to cure, and might result in situations which I do not care to discuss today. In short, I can sum up that point in one sentence, namely, that regardless of the good intentions and good motives of every man who believes in this legislation—and I concede them to be good—if this bill were passed and were enforced it would do vastly more harm than good to the very citizens whom it is intended to help.

Believing that, Mr. President, I say again that I cannot support the pending legislation. I do not wish to take much time on this matter, but, I come now to the question of cloture, upon which we shall vote tomorrow. A few days ago I heard one Senator say on this floor that he would always vote for cloture, meaning that he has a hard-and-fast rule on the subject of cloture. I do not have. There are some instances when I would vote for cloture, and there are others when I would not. As the Senator from Maine stated yesterday, I believe there are times when a minority can protect itself against an overwhelming and sometimes ruthless majority only by using every legitimate and available means at hand. A great leader of our own party, Thomas Jefferson, warned more than once of that situation. I believe it was in his first inaugural address that he expressed fear, perhaps, of legislative domination, rather than Executive domination; and I know that he warned then against arbitrary rule by the majority against the minority. He always respected the rights of the minority.

It is true we must have majority rule. But when fundamental rights are involved, when the conditions affect the safety and welfare of a man's own people in his own State, or when he honestly believes that they do—I do not think it is necessary that he be correct in that belief; he does not have to be right, but if he sincerely and honestly believes that the measure is of that importance, I think he is untrue to himself, untrue to his people, and untrue to his State unless he exercises every means he can to protect against what might be the arbitrary and ruthless overriding of the minority by the majority.

So there are times when I believe in free and unlimited debate, even though

it amounts to a filibuster; and when those conditions arise, I will not vote for cloture. I do not think any man who has been in the Senate for any length of time, when he realizes the nature of the questions which this bill presents can doubt the sincerity and the honesty of the motives of those Senators who have stood here, day after day, exercising the rights and privileges which are theirs under the rules of the Senate, in their endeavor to protect their States from what they believe to be an invasion of their rights by a majority. They are sincere and they are honest in those views. Whether they are correct is immaterial. I uphold their right to use the methods of unlimited debate, even to the extent of filibustering, to protect the things in which they believe so strongly; and I would not have a great deal of respect for them if, entertaining those beliefs, they did not do so.

Therefore, I will not vote for cloture.

There is another reason why I will not vote for cloture on this particular bill and under such circumstances as these, and that is the very practical situation. Some Senators have said on the floor of the Senate, "I am opposed to the bill, but I am going to vote for cloture." Mr. President, the situation is that, as has repeatedly been claimed—and probably correctly so, I think—a majority will vote for this measure if it comes to a vote, and that it will carry. Therefore, from my own standpoint and speaking only for myself—every man has a right to form his own opinion, of course—if I were to vote for cloture I would feel that I was voting for the bill itself. I might "kid" myself a little by saying that I was not doing that; but the ultimate fact would remain the same: By my vote on cloture, I would be making it possible to pass legislation to which I am opposed. Mr. President, I simply will not do that. I oppose the legislation and I will oppose it the first place I meet it, and that will be on the vote for cloture. I will vote against cloture.

Mr. President, I think I have said sufficient to enable my position to be understood. I do not think there has been any doubt as to the fact that I am going to vote against the bill and against cloture.

I wish to make it plain that, while there are many other reasons which I have not discussed, I have mentioned only a few of the outstanding ones which prevent me from supporting the legislation.

AID FOR STARVING EUROPEAN PEOPLES—DECREASE OF WHITE FLOUR CONTENT OF BREAD

Mr. President, I wish to digress at this point. I desire to mention another matter, one entirely foreign to the subject I have been discussing.

Yesterday afternoon, the President of the United States made an appeal to the American people which dealt with the use of wheat in our flour and the kind of bread we shall use. I see nothing extraordinary in that appeal, in the light of conditions which we know exist all over the world. But, Mr. President, I have been amazed to hear some of the comments which have been made and to read some of the things which have appeared in the newspapers. I have not been too

pleased with what I have seen and heard. Let I be misunderstood as to what I mean when I refer to newspapers, let me say that this morning I examined all the newspapers which I could obtain and which I had time to examine, and I looked at their editorial comment. I find that, without exception, the newspapers editorially support the plea of the President. But I have heard on the radio and I have read statements to the effect that the housewives of America will rise in revolt against using a shade darker flour in making bread. I even heard that it was a grave political mistake for the President of the United States to ask the people of America to make one small, slight—I started to say sacrifice, but I shall not use the word "sacrifice" in that connection—to make a slight concession—"concession" would be a better word to use—in order that we may send some wheat from our storehouse to the starving peoples of Europe.

I was shocked when I heard it said that this would be a political blunder. My God, Mr. President! Have we come to such a pass in the United States that the President cannot make an appeal for the hungry and the starving without being besmirched with the taint of party politics or without having someone try to take political advantage of a situation of that kind? I repeat that I was shocked, and I think I say for the people of America that all our people would be shocked if such a construction were placed upon an honest effort to send a little wheat to hungry men, women, and little children. But, Mr. President, I was more shocked when I learned today that there has been introduced in the Congress of the United States, immediately following that appeal of the President, a bill which would prevent our doing it.

I am not reflecting on the House of Representatives. The rules of the Senate forbid me doing so. I am not reflecting on the individual who introduced the bill. I do not know what motives prompted him. But I have on my desk a copy of House bill 5418, which was introduced in the House of Representatives yesterday, and referred to the Committee on Ways and Means. It reads as follows:

That no grain or flour shall be exported from the United States until (1) it is determined by the Secretary of Agriculture that sufficient quantities of said grain have been distributed to areas of the United States now suffering from shortages of livestock and poultry feeds.

Mr. President, I could wax sarcastic about that. I intend to deal a little in sarcasm, and say that the author of that bill is placing the feeding of chickens above the feeding of human beings. That, however, was not the intention of the author of the bill. In the West we have had serious shortages of grain for our livestock, and in some sections of the country there have been serious shortages of feed for poultry. It is necessary that our livestock and chickens be fed in order to produce food for the purpose not only of feeding ourselves but of feeding peoples in other lands. But that can be done without an act of Congress, and without a proposal such as this, which, if enacted into law, would cause us to be ridiculed all over the country. The

bill provides that before we may export grain to starving nations we must first have enough for our own livestock and our chickens. That is what the bill says, but it does not express the temper of the American people or the temper of the Congress. We will find means to feed our livestock in the West. It will not be long before grass will begin to grow, and then we will have feed for our livestock. There will be feed for poultry, and there will be a sufficient quantity of food to enable us to send at least some of it to the victims of the war.

I continue reading from the bill:

(2) It is determined by the Secretary of Agriculture that there are sufficient supplies of flour to assure the American people of the present amount of white bread.

Mr. President, by an act of Congress it is proposed that before we send one bushel of wheat abroad to keep men, women, and children from starving, we in America must be assured by our Secretary of Agriculture that our bread shall be white.

Mr. President, one could be facetious, but this is not a facetious matter. I know that it is right that we should care for our own. I want to care for our own, but we are caring for our own. No person in America hungers today.

I happened to pick up in the reading room a copy of today's issue of the Washington Daily News which contains two pictures. I wish those pictures could be printed in the RECORD itself. The following statement appears under the pictures:

These two pictures taken from thousands in the files of UNRRA's Washington office show why President Truman has asked Americans to reduce their diets 800 calories a day, to get along with 30 percent less beer and 25 percent less booze.

Mr. President, I wish to look at this bill again. I am sure it has no reference to booze or to beer. It relates only to livestock and poultry food and white bread.

I continue reading from the language appearing under the pictures to which I have referred.

It's to keep millions of youngsters like the little Yugoslavian fellow at left from slowly starving to death this year. It's to bring healthy round cheeks and big smiles like that on the Greek youngster, at right, so contentedly nibbling away on a hunk of bread—brown bread. Other pictures on page 26.

Mr. SALTONSTALL. Mr. President, will the Senator yield to me in order that I may make a 3-minute statement on the FEPC?

Mr. HATCH. Will the Senator permit me to finish what I was about to say?

Mr. SALTONSTALL. Yes.

Mr. HATCH. I may say to the Senator from Massachusetts that I shall be through in a moment.

Mr. President, I do not wish to say anything relating to the sacrifices which the people of this Nation made during the war. In every home where death has come—and it has come in thousands of homes—as great sacrifices have been made as human beings can make. For the sacrifices our brave men and their families have endured I, as an American, pay the highest honor and tribute which I can pay to them. But, aside from

those sacrifices, this country has not sacrificed. It is true that we have an unparalleled national debt. It is true that at the present time we are confronted throughout the country with labor difficulties, and that strikes are taking place. It is also true that the period of reconversion through which we are now going presents many problems. It is a serious matter to convert from a wartime economy to a peacetime economy. I know there are serious questions of many kinds facing this country today, as well as problems which are perplexing and bewildering. We do not have the answers to them all.

Some men are born to be pessimists. We hear complaints about this and that, and fault finding with the conditions of unemployment in America, as well as many other things which have been discussed in the Senate during the past several days. There is much which can be done to improve conditions in this land of ours. But, Mr. President, in America men, women, and children are not going hungry. We are not starving. There is work in America for every man who wants a job. Our cities have not been bombed. Our industries have not been destroyed. Our merchants are not bankrupt. Our fields have not been devastated. Marching armies have not swept across our land. Our homes have not been violated, and our women have not been desecrated.

Mr. President, I thank God I live in the United States of America, and not boastfully, but humbly and gratefully, I am thankful for America and her free institutions. I wish to say that I do not want to give merely out of our surplus; I do not want to send to Europe only the wheat which we do not need to feed our livestock and our poultry and which we do not need to keep our bread white. I am willing to share with the starving nations of the world out of the abundance which Providence has given to us as a nation, and to us as a people.

Mr. President, I wanted to say these words because I was shocked and amazed at the reception received by the President's appeal that we send to hungry and starving peoples a little of our grain, that we let our bread be a little less white, perhaps a shade darker, which perhaps would be more beneficial to our health. I think the American people will be glad to respond to that call of the President.

Mr. SALTONSTALL. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. SALTONSTALL. Mr. President, on February 7 I offered two amendments to Senate bill 101, the bill now under discussion. I should like very briefly to explain the amendments.

Senate bill 101 contains subject matter seeking to solve a problem which has concerned me greatly for some years, and which in the past 2 years has been brought many times to my attention in various ways.

In 1943 a New York newspaper published an article about race riots in Boston. I was at that time the Governor of Massachusetts, and the report upset me greatly, because I was proud of the way we got along with each other in

Boston. We are a truly metropolitan city, with citizens of many different racial origins and diverse religious beliefs. But as there was trouble we did not know of, I was determined that we should know of it. So I appointed a commission of five distinguished citizens of different racial and religious beliefs, and asked them to ascertain the truth of the charges. They investigated carefully, and reported. The charges did have some basis in fact, but were greatly exaggerated. At that time I requested that the Commission continue its work. It has done so, and is still functioning.

The recommendations of the Commission from time to time emphasizes education and understanding as the greatest means of eliminating racial and religious jealousies. Education takes time, patience, and much careful work. In the meantime, in the difficult period through which we are passing, we want to do our best to make each one of us conscious that we each have a share of responsibility for improving conditions. Senate bill 101 is an effort to make us feel that consciousness. It contains a statement of the problem, and contains clauses providing compulsory means of enforcing the views of the Commission set up under the bill.

Last year New York and New Jersey enacted laws similar to the bill we are considering, and a similar bill failed in Massachusetts by one vote.

My amendments go to the enforcement provisions of the bill. As I have said, I believe what we need most is education. That ultimately provides the solution, without using any compulsory means. But if in the meantime we take some other steps, we want to be sure we make them as helpful as possible.

My first amendment is taken from the New Jersey act. It provides, in brief, that if the Commission shall determine, after investigation into the complaint that has been brought before it "that probable cause exists for crediting the allegations of the complaint, it shall immediately endeavor to eliminate the unlawful employment practice complained of by conference, conciliation, and persuasion. Neither the Commission nor any officer or employee of the Commission shall disclose what has transpired in the course of such endeavors."

In other words, the first effort of the Commission would be to persuade the person against whom a complaint was filed to change his attitude, and to do it without publicity, off the record, as we say in Government circles.

If that should not work, and there was a hearing and a finding and an appeal for enforcement, my second amendment would give the circuit court a chance to hear further evidence if it believed there was a real reason for the evidence not having been presented to the Commission. The important words in the amendment are:

If either party shall apply to the court for leave to adduce additional evidence and shall show to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the hearing before the Commission, its member, or designated referee, agent, or agency, the court may take

and consider such additional evidence. The jurisdiction of the court shall be exclusive.

Then it proceeds further in legal language.

This procedure is similar to that employed at the present time under the laws now in force with relation to the National Labor Relations Act and under the Federal Trade Commission, except that the court and not the Commission, as provided in those acts, hears the additional evidence.

The purpose of the amendment is to give the court which has not done the preliminary work a better opportunity to be as impartial as possible, and to bring a new mind to the problem that is under consideration.

I hope that if cloture prevails and the bill is considered, these amendments will be adopted. I believe they improve the language of the bill, and make its purpose clearer and the fulfillment of its objectives more nearly possible; but its final objective will be accomplished only by greater education. On that I feel confident there is reasonable agreement.

BRITISH GOVERNMENT OWNERSHIP OF AMERICAN BUSINESS SECURITIES

Mr. MOORE. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. MOORE. Mr. President, recently I made a statement for the RECORD concerning the ownership by the British Government of certain segments of American private enterprise. I pointed out that the United Kingdom, that is, the Government itself—not the citizens or nationals of the United Kingdom, but the British Government—was the owner of American stocks in more than a hundred American business corporations, with a total value in excess of three-fourths of a billion dollars.

In some cases this ownership represents a controlling interest. In most of the larger corporations, such as General Motors, American Locomotive, Standard Oil Co. of New Jersey, Radio Corp. of America, Celanese Corp., United States Steel, Socony-Vacuum Oil Co., American Telephone & Telegraph, and other similar corporations, the ownership represents, of course, much less than a controlling interest.

I have been somewhat amazed that the disclosure with respect to the British ownership of American business enterprises failed to arouse more public interest. Apparently, however, many people misunderstood my statement in this connection, because I have received numerous inquiries asking if these securities were not owned by British citizens and nationals rather than the British Government. I have noticed editorial comments stating that the securities referred to were owned by British nationals and citizens. That, however, is not a fact. The securities involved were expropriated from British citizens and nationals by the British Government, and were paid for in pound sterling. The British Government has complete ownership, control, and all voting rights. No individual has any claim, right, title, or interest in these stocks. The British Government is the sole, direct, and absolute owner of these stock interests in Amer-

ican private companies. The management of several of these companies has expressed considerable anxiety with respect to this movement into American private business by the British Government.

Presently, these American corporate securities have been pledged by the British Government to the Reconstruction Finance Corporation as collateral against a \$390,000,000 loan made by that agency to the British Government in July 1941. The net balance remaining due on the loan after crediting accumulated reserves from dividend payments is approximately \$240,000,000. At existing market values the British Government has a dollar equity in these stocks exceeding half a billion dollars. The stocks are so widely distributed and the volume of shares being traded in at the present time are such that the stocks can be liquidated without a depressing effect upon the market. If the British Government will convert these paper assets into usable American dollars which they so badly need, the presently proposed Treasury loan can be reduced by more than half a billion dollars. Liquidation of the loan would not only give the British Government a half-billion-dollar equity, but it would remove this foreign government ownership from American business and serve to protect our traditional system of private enterprise.

I suggest that we exercise ordinary practical business judgment and request the British Government to convert these assets, which are now frozen as collateral against the RFC loan, into liquid dollar exchange, before we further burden the American people with the presently proposed Treasury loan. Recently, I appealed to the State Department to give consideration to such action in their negotiations with the British financial representatives. In that connection I should like to place in the RECORD a letter from Under Secretary Dean Acheson, dated January 21, 1946, and my reply thereto of February 7, 1946.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, January 21, 1946.

The Honorable E. H. MOORE,
United States Senate.

MY DEAR SENATOR MOORE: I refer further to your letter of November 30, 1945.

You indicate in that letter your belief that the United Kingdom should be required to liquidate the collateral behind the Reconstruction Finance Corporation loan, and that the line of credit which it is proposed to extend to that country should be reduced by the United Kingdom's equity in the collateral, or approximately \$500,000,000. For this position you advance two chief arguments. First, that such action would provide the United Kingdom with dollars and thus relieve that country's dollar shortage; secondly, that it is unhealthy for foreign governments to own large segments of American enterprise.

May I point out, with reference to the first argument, that among the stated purposes of the proposed line of credit are the following:

1. "To assist the United Kingdom to meet transitional postwar deficits in its current balance of payments."
2. "To help the United Kingdom to maintain adequate reserves of gold and dollars."

As you are aware, the British liquidated a considerable portion—approximately \$4,500,000,000—of their foreign investments during the war, including some of their investments in the United States. Further liquidations are contemplated in connection with accumulated sterling balances. In view of these facts, I would very much doubt the wisdom of requiring the British to go still further and liquidate the Reconstruction Finance Corporation loan collateral. While it is true that the proceeds would help the British meet their current deficit, the income which the assets in question are presently earning—and which was taken into account in estimating their anticipated balance-of-payments deficit—would be lost. The result would be that in the long run the difficulties which the British are encountering in balancing their international payments would be increased.

I am convinced, moreover, that if the United Kingdom is to be able to cooperate in the financial and commercial policy of this Government, it must be permitted to retain foreign assets which can be quickly converted into liquid international reserves. I believe that the ownership of such assets is of the utmost importance to the financial stability of the United Kingdom and to the maintenance of confidence in the pound sterling. It is probably as inadvisable in international finance as it is in domestic to insist that a prospective borrower liquidate and consume all of his assets before he is granted financial assistance.

With regard to the ownership of shares in American enterprises by foreign governments, the securities in question were, as you know, originally owned by individual British subjects and were vested by the British Government when the Government was attempting to mobilize the United Kingdom's foreign assets for war purposes. I have no reason to believe that these assets will not eventually be returned to private ownership, though possibly not to the original owners. It may be pointed out, moreover, that except for the British owned or controlled insurance companies (and possibly some small or unimportant enterprises) the share ownership involved represents only minority holdings, in no case approaching control.

The whole question of the conditions under which foreign persons or governments are permitted to own, or exercise the rights of ownership in, American business enterprises is, of course, one for the Congress to determine. May I be permitted to suggest, however, that this is a highly involved issue which should be decided on its own merits and which has no necessary connection with the proposed line of credit. The problems which arise in connection with this matter would exist regardless of the extension of the line of credit, and would exist, moreover, with respect to other governments than that of the United Kingdom.

I hope that the foregoing satisfactorily answers the questions you raise in your letter. I shall be pleased, however, to consider any other points you may wish to bring up in connection with this matter.

Sincerely yours,

DEAN ACHESON,
Acting Secretary.

FEBRUARY 8, 1946.

HON. DEAN ACHESON,
Under Secretary of State,
Washington, D. C.

DEAR MR. ACHESON: I have yours of January 21 with further reference to my letter of November 30, 1945, in which the suggestion was made that the existing RFC loan to the British Government should be liquidated in connection with the granting of the presently proposed Treasury loan.

You suggest two reasons why the State Department would not favor such procedure. First, that it would weaken the economic position of the United Kingdom and therefore such action would be contra to the policy announced with respect to the presently proposed Treasury loan; and, second, that except for the British owned or controlled insurance companies and possibly some small or unimportant enterprises, the share ownership of the United Kingdom in American enterprises represents only minority holdings and thus presents no practical economic danger to American interests. You also express the confidence that these holdings will eventually be liquidated and acquired by individual investors.

You premise your first proposition on the statement that if the United Kingdom is to be able to cooperate in the financial and commercial policy of this Government, it must be permitted to retain foreign assets which can be quickly converted into liquid international reserves. This is exactly the objective sought to be reached by the liquidation of the paper assets now owned by the United Kingdom in the United States. The pressing need of dollar exchange for the United Kingdom in the United States at the present time is the motivating philosophy behind the proposed Treasury loan. Liquidation of the United Kingdom's paper assets is in complete accord with such policy. You suggest that it is inadvisable to insist that the British Government as a prospective borrower liquidate and consume all of its assets before it is granted financial assistance. The analogy is not applicable. There is no suggestion that the British Government consume these assets. The suggestion is that they merely convert them to a liquid usable dollar exchange.

If the British Government should see fit to leave this half-billion-dollar equity on deposit in the United States, either in private or governmental agencies, it would constitute a liquid reserve that would be the best possible stabilizing influence for the pound sterling. Under their present status the securities are frozen as collateral against a comparatively small loan balanced against the presently and probably temporary tremendous value of the securities. The suggestion of liquidation goes much farther than a mere conversion of the paper assets to usable dollars. Under existing conditions the United Kingdom would be the beneficiary of over \$250,000,000 in net profits. Incidentally, the United States would have no taxable share in these capital gains, whereas if the same profits were taken by private owners the interest of the United States would be very substantial. Measured by every financial standard, the liquidation of the British-RFC loan is sound business from the viewpoint of both parties. The market is high. The trading volume is such that the sale of the British-owned shares now could be absorbed by the market without depressing effect. In any case where this could not be done, private investment houses are available at this time. If these securities remain frozen as collateral and if it should become necessary to market them under unfavorable economic conditions, the turn-over volume might be so limited that liquidation of the loan would have a serious depressing effect on the American securities market generally, and certainly under such conditions the United Kingdom will have been deprived of the profit advantages of the present high level of securities generally. These are indeed real hazards to be considered in any plan to assist the United Kingdom to meet its transitional postwar deficits in its current balance of payments, or to help the United Kingdom maintain its adequate reserves of gold and dollars.

Your second premise seems to be predicated on the belief that the ownership of a foreign

government in American private enterprise, so long as such ownership represents a minority interest, is not necessarily an unhealthy situation. Such view is contrary to the American system of private enterprise and a denial of our constitutional form of government. The American principle that any government should be excluded from the ownership of our private enterprise is as seriously breached by the ownership of a single share as it would be if this or any other government should acquire a controlling interest. Only the effect of the ownership would be different. Our revulsion to government partnership with private interest would be as great in either case.

You express complete confidence that these assets will eventually be returned to private ownership. May I suggest that we be realistic enough to understand that the United Kingdom has seen fit to adopt a socialist government that believes in nationalization of business and industry? In view of that fact, I am unable to share your placidity. Assuming, however, that we may expect the United Kingdom to pay off the present RFC loan and thereafter offer these securities to either American or British private investors, the stability of the American securities market becomes subject to the judgment, whim, or caprice of the British financial agents, who would choose the time and manner of disposing of these securities. Conceivably, these securities could be marketed at a time and in a manner wholly advantageous to the international position of the United Kingdom but with disastrous economic effect on the American securities market.

I have noted the very significant remark on page 3 of your letter that the problems arising in connection with this matter, namely, the ownership of American private industry by foreign governments exists with respect to other governments than that of the United Kingdom. It will be greatly appreciated if you will advise me what other foreign governments and the extent to which they have acquired and now own securities or other forms of tangible or intangible assets in the United States.

There are some who believe that there are sound and convincing social and economic arguments to support approval of the recently negotiated Treasury loan to the United Kingdom. Personally, I am in considerable doubt on this issue. Certainly the liquidation of the existing British-RFC loan would make available to the United Kingdom over \$500,000,000 of its own money and would be sufficient to furnish substantial temporary assistance in meeting current postwar deficits in the United Kingdom's balance of payments. If there are sound arguments for approval of the proposed Treasury loan, our failure to suggest to the British the desirability of liquidating the RFC loan in order that they may make available to themselves this large dollar equity which the British already have in the United States, in large measure nullifies the effectiveness of such arguments.

Yours very truly,

E. H. MOORE.

EXPORTATION OF LUMBER FROM THE UNITED STATES

Mr. KNOWLAND. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. KNOWLAND. On Wednesday, February 6, I addressed the Senate on the matter of the export of lumber from the United States to foreign countries, and pointed out at that time that, according to a press release from the Civilian Production Administration, they had set up a quota for export of Ameri-

can lumber amounting to 225,000,000 board feet for the first quarter. If that were followed out for the four quarters of the year—and we have reason to believe it will not be—it would mean the exportation of more than a billion feet of lumber from the United States during a period when there is a most critical housing shortage in all sections of the United States.

I inquired of the Civilian Production Administration for some figures relating to the export of lumber during the year 1945. I find, on obtaining the figures, that for January 28,000,000 feet in round figures, were exported; in February, 32,000,000 feet; in March, 29,000,000 feet; in April, 26,000,000 feet; in May, 30,000,000 feet; in June, 24,000,000 feet; in July, 38,000,000 feet; in August, 44,000,000 feet; in September, 41,000,000 feet; in October, 42,000,000 feet; in November, 39,000,000 feet; and in December, 49,000,000 feet, or a total of something over 427,000,000 feet for the year 1945.

Under the quota set up by the Civilian Production Administration in the first two quarters of this year we will export more than we exported during the entire year of 1945.

I wish to call the attention of the Senate to the fact that, taking a figure of approximately 10,000 board feet as the necessary amount for building one home, the lumber exported under the quota prevailing, if continued for a full year, would be sufficient to construct more than 100,000 homes in the United States. If there were no other way of meeting some of the problems abroad perhaps an excuse could be given for the export of this lumber. The fact remains, however, that there are lumber resources in Europe, including those of Germany, which could be called upon to meet the European situation, and there is lumber in the Philippines which, provided the sawmill facilities are available, could meet the requirements in the Pacific area.

We also asked for some figures as to where this lumber was going, and I shall take just a few moments of the Senate's time to read some of the figures into the RECORD. Taking now only the 3 months since September, because VJ-day came in September, we find the following:

To Canada, there was exported from the United States, in October, 5,249,000 board feet; November, 5,710,000 board feet; December, 4,539,000 board feet.

To Mexico, in October, 1,253,000 board feet; in November, 892,000 board feet; and December, 1,363,000 board feet.

To Cuba, in October, 1,705,000 board feet; November, 2,053,000 board feet; and December, 1,506,000 board feet.

There are some other countries with lesser amounts.

We come to the United Kingdom. In October, 20,247,000 board feet; November, 11,141,000 board feet; and December, 29,310,000 board feet.

To the Netherlands: October 1,100,000; November, 622,000, and December, 613,000.

To Palestine and Trans-Jordan: In October, 3,898,000, and in November 2,795,000 board feet.

Mr. President, I ask that the complete list of figures be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Sawmill products (this includes all lumber exports)

1945:	Feet
January.....	28,250,000
February.....	32,041,000
March.....	29,820,000
April.....	26,117,000
May.....	30,851,000
June.....	24,148,000
July.....	38,196,000
August.....	44,280,000
September.....	41,446,000
October.....	43,590,000
November.....	39,429,000
December.....	49,229,000
Canada:	
October.....	5,249,000
November.....	5,710,000
December.....	4,539,000
Mexico:	
October.....	1,253,000
November.....	892,000
December.....	1,363,000
Cuba:	
October.....	1,705,000
November.....	2,053,000
December.....	1,506,000
Trinidad and Tobago:	
October.....	893,000
November.....	320,000
December.....	460,000
Curacao:	
October.....	623,000
November.....	422,000
December.....	50,000
Venezuela:	
October.....	623,000
November.....	1,702,000
December.....	786,000
United Kingdom:	
October.....	20,247,000
November.....	11,141,000
December.....	29,310,000
Netherlands:	
October.....	1,100,000
November.....	622,000
December.....	613,000
Greece:	
October.....	7,000
November.....	5,719,000
December.....	N. e. s.
Palestine and Transjordan:	
October.....	3,898,000
November.....	2,795,000
December.....	None
India and dependencies:	
October.....	835,000
November.....	712,000
December.....	622,000
Ceylon:	
October.....	442,000
November.....	503,000
December.....	459,000
Australia:	
October.....	190,000
November.....	1,093,000
December.....	489,000
Union of South Africa:	
October.....	2,401,000
November.....	3,194,000
December.....	345,000

These were the substantial countries. Peru had a good bit in December, 2,000,000 feet. Ireland, France, Chile, Liberia, Libya, Egypt were big distributors but didn't compare with the above.

Mr. KNOWLAND. Mr. President, I wish to say that from all sections of the United States comes the same information respecting the very critical housing shortage. Particularly it is adversely

affecting the veteran returning home after service overseas. We have heard discussed in both Houses of Congress, and in the public press, the possible necessity, in order to prevent increased inflation, of establishing very rigid controls in the matter of housing.

It is, I think, rather elementary that unless we can build new homes and increase the number of homes, we of course have a greater demand than we have a supply, and when we have such a situation in housing, just like in any other commodity, we have a highly inflationary condition. Yet, while the national administration is talking about the necessity—and it may be necessary—of setting up rather rigid controls over housing, at the same time it is permitting the export of lumber from this country at this critical period on a basis that will amount to more than 1,000,000,000 board feet of lumber. I think the administration should take immediate cognizance of the situation, and, before coming to Congress and suggesting other remedies, it should forthwith bring to a stop this exportation of lumber.

FAIR EMPLOYMENT PRACTICE ACT

The Senate resumed the consideration of the bill (S. 101) to prohibit discrimination in employment because of race, creed, color, national origin, or ancestry.

Mr. ELLENDER. Mr. President, at the request of the junior Senator from Mississippi [Mr. EASTLAND] I send to the desk amendments to the pending FEPC measure, and ask that the reading of the amendment be dispensed with, but that it be printed in the RECORD, and that the printing of the amendment in the RECORD be considered to be a compliance with the rule concerning the offering of amendments after cloture.

The PRESIDENT pro tempore. Without objection, it is so ordered, and the amendment will be received, printed, lie on the table and be printed in the RECORD.

The amendments intended to be proposed by Mr. EASTLAND are as follows:

On page 1, line 7; on page 2, lines 9, 17, 20, and 24; on page 3, line 5; and on page 12, line 20; insert after "origin", the following: "membership or nonmembership in or affiliation or nonaffiliation with any labor union."

Amend the title so as to read: "A bill to prohibit discrimination in employment because of race, creed, color, national origin, membership or nonmembership in or affiliation or nonaffiliation with any labor union, or ancestry."

Mr. BALL. Mr. President, I ask unanimous consent that the two amendments which I proposed for myself, the Senator from New Jersey [Mr. SMITH] and the Senator from Oregon [Mr. MORSE] to Senate bill 101, the FEPC bill, be printed in the RECORD, and that that be considered to be a compliance with rule XXII so far as offering amendments after cloture is concerned.

The PRESIDENT pro tempore. Is there objection? The Chair hears none.

The amendments intended to be proposed by Mr. BALL (for himself, Mr. SMITH, and Mr. MORSE) are as follows:

On page 3, line 25, strike out the word "six" and insert in lieu thereof the word "twenty-five."

On page 4, line 9, strike out the word "six" and insert in lieu thereof the word "twenty-five."

On page 9, line 2, strike out the words "National Labor Relations Board" and insert in lieu thereof the following: "Federal Trade Commission: *Provided, however,* That the findings of fact by the Commission shall be conclusive only when supported by substantial evidence."

On page 9, line 15, strike out the words "National Labor Relations Board" and insert in lieu thereof the following: "Federal Trade Commission: *Provided, however,* That the findings of fact by the Commission shall be conclusive only when supported by substantial evidence."

Mr. HATCH. Mr. President, the Senator from Louisiana [Mr. ELLENDER] has been very courteous to all of us today in yielding. I ask unanimous consent that the Senator from Louisiana may have the floor upon the convening of the Senate tomorrow.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Senator from Louisiana will be considered as having the floor when the Senate convenes tomorrow.

EXECUTIVE MESSAGE REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States submitting the nomination of Civil Engineer Joseph F. Jelley, Jr., to be a civil engineer in the Navy, with the rank of rear admiral, for temporary service, to continue while serving as Deputy Chief of Civil Engineers, United States Navy, and the Assistant Chief of the Bureau of Yards and Docks, which was referred to the Committee on Naval Affairs.

EXECUTIVE REPORT OF A COMMITTEE

The following favorable report of a nomination was submitted:

By Mr. BARKLEY, from the Committee on Banking and Currency:

George E. Allen, of the District of Columbia, to be a member of the Board of Directors of the Reconstruction Finance Corporation for a term of 2 years from January 22, 1946.

CONSIDERATION OF NOMINATIONS ON THE CALENDAR

Mr. HATCH. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield.

Mr. HATCH. At the request of the majority leader, I ask unanimous consent that, as in executive session, we may consider the Executive Calendar, first passing over that part of the calendar dealing with the promotions in the Army, and beginning with the nomination of Henry A. Mulligan to be a member of the Board of Directors of the Reconstruction Finance Corporation.

I ask unanimous consent that the Senate now proceed, as in executive session, to consider the nominations beginning with that to the Reconstruction Finance Corporation.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the clerk will state the nominations on the calendar following those in the Army.

RECONSTRUCTION FINANCE CORPORATION

The legislative clerk read the nomination of Henry A. Mulligan, of New York, to be a member of the Board of Directors of the Reconstruction Finance Corporation for a term of 2 years from January 22, 1946.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. HATCH. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations are confirmed en bloc.

Mr. HATCH. Mr. President, I ask that the President be immediately notified of all nominations this day confirmed.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

RECESS

Mr. HATCH. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 20 minutes p. m.) the Senate took a recess until tomorrow, Saturday, February 9, 1946, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate February 8 (legislative day of January 18), 1946:

IN THE NAVY

Civil Engineer Joseph F. Jelley, Jr., to be a civil engineer in the Navy, with the rank of rear admiral, for temporary service, to continue while serving as deputy chief of civil engineers, United States Navy, and the Assistant Chief of the Bureau of Yards and Docks.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 8 (legislative day of January 18), 1946:

RECONSTRUCTION FINANCE CORPORATION BOARD OF DIRECTORS

Henry A. Mulligan, to be a member of the Board of Directors of the Reconstruction Finance Corporation for a term of 2 years from January 22, 1946.

POSTMASTERS

CALIFORNIA

John G. Walsh, Auburn.
Pansy Lockett, Calimesa.

FLORIDA

Josephine Blondheim, Atlantic Beach.
Ethel Godbold, Gifford.
Thornton B. Mills, Summerfield.

ILLINOIS

Dwight C. Beatty, Galesburg.
Martha Ramsey, Oak Forest.

KANSAS

Mary Fanny Brown, Hardtner.
Helen G. Noel, Muncie.

LOUISIANA

Joseph M. Wilbanks, Deville.
Fred F. Duhon, Garyville.
John H. Henry, Melrose.
Moise E. Chenevert, Plaquemine.

MAINE

Wilfrid L. Spruce, Milford.

MISSOURI

Dorothy B. Bohr, Easton.
Bernadine M. Dickherber, Old Monroe.

MONTANA

Eleanor H. O'Connor, Livingston.

NORTH CAROLINA

Ella M. Felton, Macclesfield.

NEBRASKA

Jeanette Reinmiller, Staplehurst.
Pauline N. Sweet, Wood Lake.

OHIO

Mabel Stone, Empire.
Mark Emerson Allen, Highland.
LaMar L. Hahn, Malinta.
Pauline D. Tussing, Pataskala.
Augusta A. McPherson, Rockland.
Earl C. Davis, Trimble.
Ruth W. Scott, Vienna.
Watson S. Rice, West Farmington.
Glenn D. Heuberger, Wharton.

OKLAHOMA

Mary F. Cavender, Porum.

OREGON

Bryan Dieckman, Myrtle Creek.

TENNESSEE

Clyde C. Buck, Armathwaite.
Flora B. Williams, Buena Vista.
Ervin M. Peters, Clarkrange.
Martha S. Bass, Gordonsville.
Raymond E. Scott, Scotts Hill.

TEXAS

Henry C. Martin, Easterly.
Blanche Schimmelpfening, Helotes.
Livy Atwell, Hutchins.
Clarence B. Keeney, Whitharral.

WISCONSIN

Bessie L. Severson, Couderay.
Violet M. Whit, Iron Belt.
Stanley Jasicki, Weyerhaeuser.

HOUSE OF REPRESENTATIVES

FRIDAY, FEBRUARY 8, 1946

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O God our refuge and strength, we praise Thee at the altar of our hearts. Life holds no motive for stimulating goodness in man, like unto the divine love which moves in quiet calm. Help us to discern beneath every rough exterior something good, something noble. Unto those multitudes that travel the weary rounds of care and hardship, grant them the sanctuary of hope and promise.

O command Thy blessings upon those rich forms of freedom—home, religion, and industry. Grant that we may protect and maintain them with an increasing sense of devotion. As patriots, we would remember our providential past, which was inspired in individual liberty and individual self-reliance. O help us to keep this inheritance in our hearts, believing that in many and in unexpected ways Thou wilt make our work fruitful and bring it to a fine consummation; so grant it, blessed Lord.

O compassionate Father, the light behind the shadows, the love behind the sorrows, shine forth upon the pathway of our most honored Member who has